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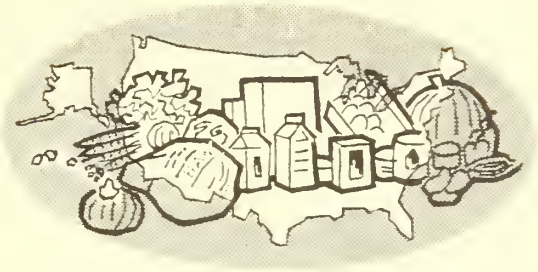
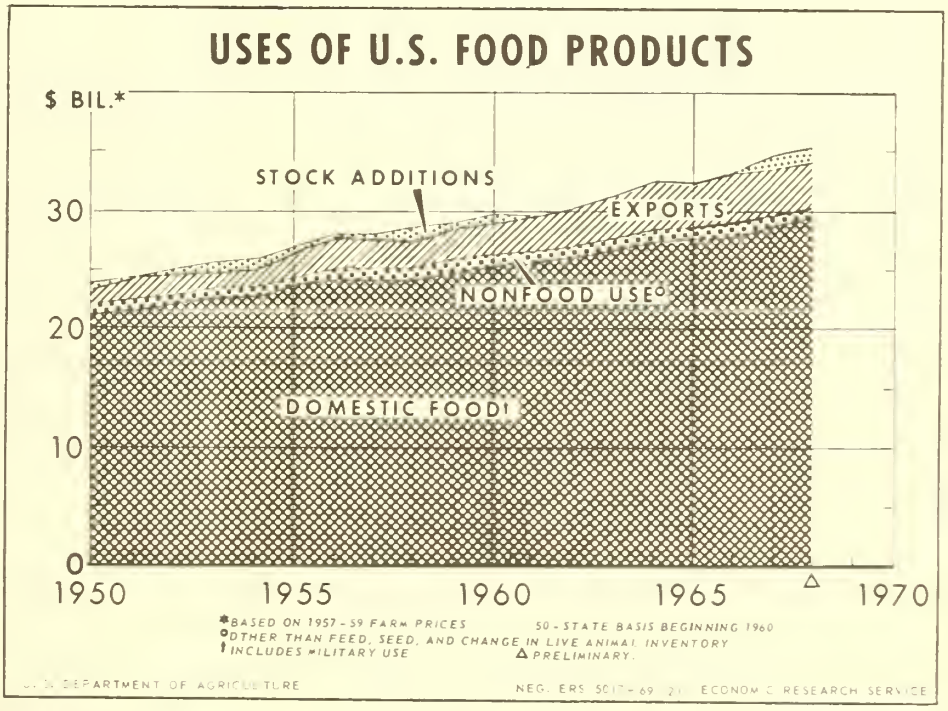
NATIONAL FOOD SITUATION



NFS-127 FEBRUARY 1969

Total utilization of food products in 1968 increased more than 2% over a year earlier, and at least this much increase is likely in 1969. Most of the gain went for domestic food.

The supply of food products available in calendar 1968 exceeded utilization for the second year in a row--due both to larger production and larger imports. Thus, food stocks accumulated.



OUTLOOK

THE 1969 AGRICULTURAL OUTLOOK CONFERENCE

February 17-19, 1969

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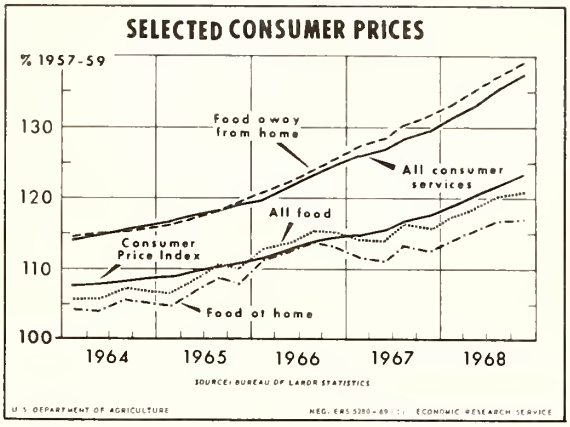


Figure 1

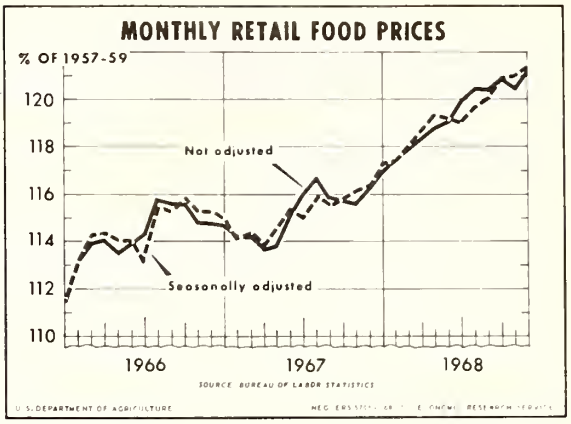
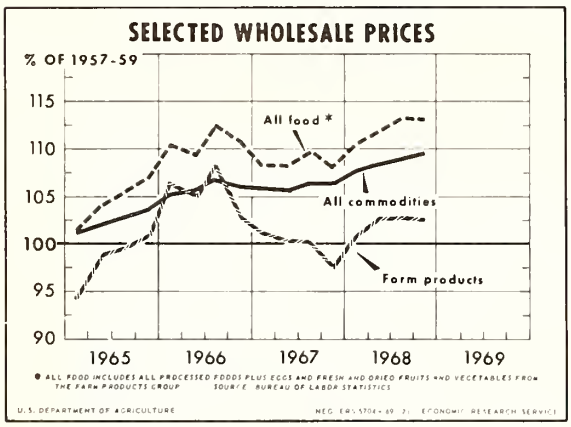


Figure 2



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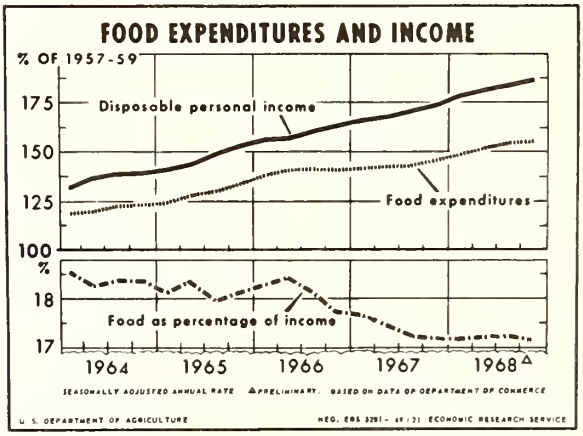

Figure 4

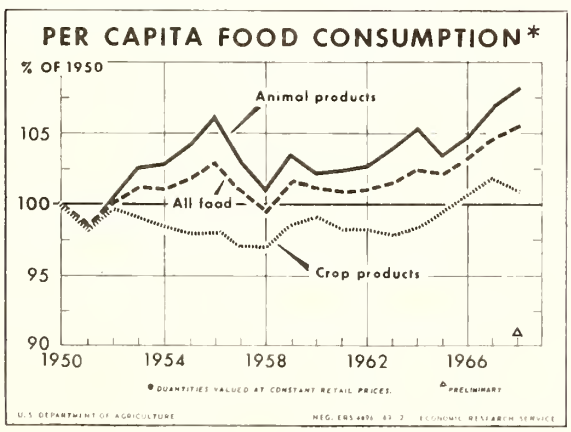

Figure 5

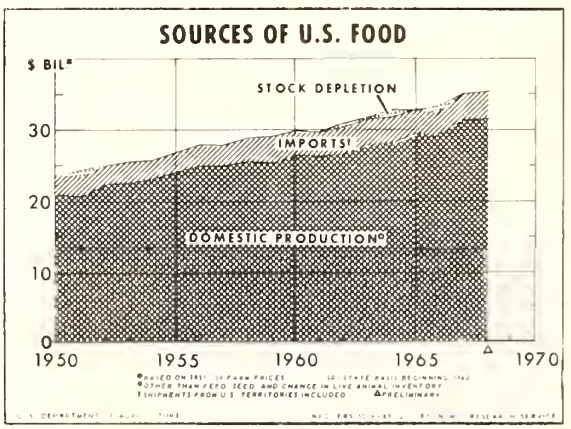

Figure 6

NATIONAL FOOD SITUATION

Approved by the Outlook and Situation Board, February 10, 1969

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SUMMARY 1/

Retail food prices in 1969 are expected to average 2% to 2½% above those in 1968. This would mean only a small increase from price levels at the start of 1969 because December prices averaged 4% above a year earlier. Prices for food in grocery stores in 1969 likely will average 1% to 2% above 1968 and restaurant food prices around 5% above.

Compared with 1968, retail food prices this year likely will average:

---higher for beef, eggs, dairy products, cereal and bakery products, soft drinks, and cocoa products;

---about the same for fats and oils, potatoes, sugar, and coffee;

---lower for fruits, vegetables, poultry,and pork.

Retail food prices quickened in 1968. Most of the rise took place in the first 3 quarters, with a slackening in the fourth quarter. Food store prices averaged 3% higher and restaurant food prices 5% higher, for an average of 3½%. Price increases at grocery stores in 1968 were in contrast to a small decline in 1967. But restaurant food prices increased at about the same rate in both years.

Compared with a year earlier,retail food prices in 1968 averaged:

---higher for fruits, vegetables, potatoes, beef, lamb, chicken, eggs, dairy products, soft drinks, and cocoa products;

---about the same for pork, sugar, tea, and cereal and bakery products;

---lower for fats and oils, turkey, and regular coffee.

Higher retail prices in 1968 reflected a strong demand for food stimulated by higher incomes--consumption rose despite higher prices. But food prices advanced less than average prices for nonfood consumer items. Measured in dollars with constant purchasing power, food prices dropped 1%.

Little change is likely in wholesale prices for food in 1969, following an increase of more than 3% in 1968. All major product groups other than vegetable oils and pork participated in the 1968 rise. The wholesale price increase for farm products last year matched the increase for industrial products--2½%--after dropping in 1967.

1/ A copy of the summary plus a summary table were released on February 10, 1969.

Both farm prices and marketing spreads rose last year. The farm value of foods originating on U.S. farms advanced 5%--following a decline in 1967--and the farm-retail spread rose nearly 3%.

Spending for food in 1968 totaled $101 billion, not including spending for alcoholic beverages, business spending for food, and certain other sources of food. The gain in consumer food spending was large, but it fell a little short of the 8% spurt in disposable personal income. Food expenditures this year likely will increase 4½% to 5% if disposable income rises by around 6%, as now expected.

The percentage of disposable personal income spent for food in 1968 dropped slightly to 17%. About 3½% of income was spent for food away from home and a little more than 13½% for food at home. The farm value of food originating on U.S. farms last year was equal to about 5% of disposable personal income, and the marketing bill about 10%. The rest of the food bill went for fish and imported foods.

Total utilization of food commodities in 1968 exceeded a year earlier by 2%. At least as large an increase is likely in 1969; somewhat more food is expected to be used domestically and exports may change little. Output of food commodities increased in 1968 and imports were larger. Use of food fell a little short of the amount produced and imported. Thus, stocks at the end of 1968 exceeded those at the start. Some further increase in stock levels may take place during 1969, based on early prospects for sizable increases in output.

Per capita food consumption this year may increase nearly 1% over the 1968 record level. Increases are likely in consumption of both animal and crop products. Compared with 1968, per capita consumption this year likely will be:

---higher for beef, pork, chicken, citrus fruit, canned noncitrus, fruit, and processed vegetables;
---about the same for fish, turkey, fats and oils, fresh vegetables, sugar, coffee, and cereal and bakery products;
---lower for veal, lamb, eggs, dairy products, and cocoa products

Food consumption per capita in 1968 exceeded a year earlier. Consumption of crop products averaged about the same, but consumption of animal products rose more than 1% per capita. Supplies of meat, fruits, and vegetables were relatively more plentiful during the second half of 1968 than during the first half. But the reverse was true for poultry and eggs.

FOOD PRICES

Retail food price gains slowed in the fourth quarter. A gain of only half of 1% for the fourth quarter followed increases of 1% to 1½% in each of the first 3 quarters (table 1 and figs. 1 and 2, inside cover). Food store prices leveled for the quarter even though month-to-month changes were large. But restaurant food prices continued upward. Because of the earlier increases, retail prices for all food averaged 4% above a year earlier during the fourth quarter.

1968 Retail Prices Higher

Retail food prices in 1968 averaged 3.6% above those in 1967, up sharply from the 1% gain the previous year. Prices for food purchased for use at home rose an average of 3.2% in 1968, and prices for food away from home advanced 5.2%. The increase for food away from home was about the same as that of a year earlier. However, the increase in food store prices compared with a fractional decline the previous year.

Retail prices of a market basket of foods originating on U.S. farms (retail cost) rose at nearly the same rate as prices for all food at home in 1968. Prices that farmers received for food products (farm value)--up 5%--contributed to price increases at retail (fig. 7). These prices rebounded from a 7% drop in 1967. This swing compared with nearly a 3% increase in farm-retail margins in 1968 and 2% increase the year previous.

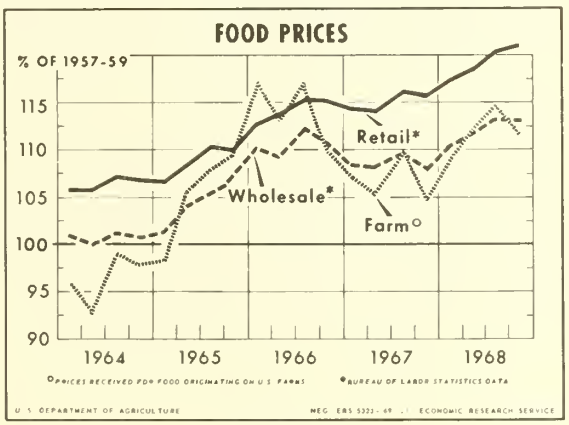

Figure 7

As usual, retail prices for some foods accounted for more of the increase than others. Some prices even declined--notably fats and oils products, turkey, and regular coffee. Many food groups experienced relatively stable prices--pork, sugar, and cereal and bakery products. But prices averaged significantly higher for eggs, most fruits and vegetables, dairy products, beef, soft drinks, and chocolate products.

The price increase for eggs averaged 8%, following a 16% drop the previous year. Although up, egg prices were still 5% below the 1957-59 average. The increase for fruits and vegetables--also 8%--resulted from reduced supplies of many fruits and fresh vegetables during the first half year, and continued strong demand. Prices for fruits and vegetables, especially for fresh produce, rose more than for most foods over the past decade, and the rate stepped up during 1968 (table 14, p. 30).

Although they rose smartly, food prices dampened the overall surge in consumer prices last year. The 3½% increase in retail prices for food compared with a 4½% rise for all other consumer items. Prices for housing--especially homeownership--apparel, and medical care were among items that rose more sharply than food last year.

1969 Price Outlook: Small Increase

Early indications suggest that prices for food at home early in 1969 are rising above those in fourth-quarter 1968. But prices are not expected to change much during the balance of the year, aside from seasonal changes. Large supplies of farm products and a slowing in the growth of consumer demand are expected to limit food price increases. Some seasonal rise is likely in the third quarter, as usual.

Since prices for food at home are expected to stabilize near the first-quarter level, year-to-year comparisons are expected to show progressively smaller increases as 1969 proceeds. Nevertheless,

Table 1.- Consumer, wholesale, and farm price indexes, 1967-68

(1957-59=100)

Item	1967	1968					Percent change 1967-68
		I	II	III	IV	Year	
							Pct.
Retail prices: 1/							
All goods & services (CPI)	116.3	119.0	120.4	121.9	123.3	121.2	4.2
All items less food	116.8	119.7	121.1	122.6	124.3	121.9	4.4
All food	115.2	117.4	118.7	120.3	120.9	119.3	3.6
Food at home	112.3	114.2	115.5	116.9	117.1	115.9	3.2
Food away from home	129.6	133.3	135.1	137.2	139.4	136.3	5.2
Wholesale prices: 1/							
All commodities	106.1	107.8	108.5	109.0	109.5	108.7	2.5
Industrial commodities	106.3	108.2	108.7	109.0	110.0	109.0	2.5
Farm products	99.7	100.8	102.7	102.7	102.5	102.2	2.5
Processed food	110.3	111.8	112.9	114.8	113.9	113.3	2.7
All food 2/	108.6	110.5	111.8	113.3	113.2	112.2	3.3
Prices received by farmers: 3/							
Crops	100	104	104	101	101	102	2
Livestock and products	107	108	110	114	114	112	5
Average	104	106	107	109	108	108	4
Market basket of U.S. farm foods: 4/							
Retail cost	109.9	112.0	113.3	114.8	114.8	113.7	3.5
Farm-retail spread	111.9	113.7	113.8	115.1	116.9	114.9	2.7
Farm value	106.7	109.4	112.5	114.4	111.6	112.0	5.0

1/ Department of Labor, Bureau of Labor Statistics.

2/ All food includes all processed foods plus eggs and fresh and dried fruits and vegetables from the farm products group.

3/ Statistical Reporting Service.

4/ Economic Research Service.

for the year prices for food at home may average 1% to 2% above a year earlier because of the initial high level. For all food, the increase may average 2% to 2½% above 1968, because of higher restaurant food prices.

Prices for food away from home likely will continue upward at the annual rate of around 5% that has been prevalent in recent years. Restaurant prices tend to move up about in line with prices for other consumer services. The wholesale cost of food accounts for only about two-fifths of all costs facing restaurants, in contrast with about four-fifths for grocery stores. The remaining three-fifths of the price of food in restaurants pays for labor, rent, and other costs of operation. Productivity gains are relatively low so increased costs--such as advances in minimum wages--tend to be translated rather directly into higher prices.

The slowdown in price gains for food is expected to be much greater than for prices of other consumer items. Even though price increases of nonfood consumer items may moderate from the recent fast pace, the increase may average nearly as large as in 1968. Food prices reflect inflationary pressures in the economy to some extent--witness 1968. However, increases are tempered by supply conditions to a greater extent than in the nonfood economy.

Wholesale prices for farm products in 1969 likely will not differ much from the level of a year earlier, because of larger supplies of many important food products. But, some increase is likely in wholesale prices for processed foods because of continuing increases in costs of processing and marketing. First-quarter prices are averaging well above a year earlier (fig. 3, inside cover). But, prices by the end of 1969 may drop back to or below levels of a year earlier --if supplies expand and demand moderates, as now expected.

Some Prices Up, Some Down

Lower average wholesale prices are likely for fruits and vegetables in 1969, following the sharp increases in 1968 (table 13, p. 29). Prices for pork and vegetable oil products also are likely to average lower, but steady to higher prices are likely for most other major commodity groups. Higher prices are likely for dairy products and, during the first-half year, for eggs.

These price changes at wholesale are expected to be reflected at the retail level, together with another boost in marketing margins.

Meat prices may average steady to slightly higher at retail, even though slightly lower prices are likely for pork. Slightly higher retail prices are in prospect for beef, veal, and lamb. Poultry prices are likely to average lower although they are running higher at the start of the year. Egg prices were much above a year earlier at the beginning of the year, but a definite decline is likely later in the year. Dairy product prices likely will continue well above a year earlier through April.

Prices for most major fruit and vegetable crops are expected to be steady to lower than a year earlier--at least during the first half when large supplies are in prospect. Prices for winter fresh vegetables may be particularly weak. Price prospects for fruits and vegetables during the second half are less certain; they will be determined largely by supplies available from the summer's crops.

Prices for most cereal and bakery products may average higher this year. Little change in farm prices is indicated for these products, but higher costs of processing and marketing again are likely.

Higher prices are probable this year for candy and other chocolate products. Although volatile, wholesale prices

for cocoa and chocolate are expected to continue well above a year earlier because of poor prospects for the world cocoa crop and relatively low stocks.

Prices for soft drinks also are expected to continue their upward trend this year, primarily because of higher costs of labor, containers, and advertising. Food ingredient costs--mostly sugar--are expected to rise only slightly.

A small increase in retail prices of regular coffee and somewhat more of an increase for instant coffee appear likely. Last year, regular coffee prices averaged 1% lower but instant coffee 2% higher than a year earlier. Regular coffee prices last year averaged 13% lower than in 1957-59, in contrast to a 16% increase in prices for all food at home.

Relatively stable retail prices for fats and oils are likely this year because of large prospective supplies and lower wholesale prices. Last year, lower prices prevailed for margarine, salad and cooking oils, shortening, and peanut butter.

FOOD SPENDING AND INCOME

Food Expenditure Gains to Slow

Food expenditures in 1968 topped those of a year earlier by nearly 7%; they totaled $101 billion (fig. 4, inside cover, and table 2). This rate of increase was somewhat less than the nearly 8% boost in disposable personal income. Thus, the percentage of income spent for food dropped fractionally to 17.2%.

Table 2 .- Expenditures for food in relation to disposable income, 1960-68

Year	Disposable personal income	Personal consumption expenditures for food 1/					
		For use at home 2/		Away from home 3/		Total	
		Amount	Percentage of income	Amount	Percentage of income	Amount	Percentage of income
	Bil.dol.	Bil.dol.	Pct.	Bil. dol.	Pct.	Bil. dol.	Pct.
1960	350.0	56.8	16.2	13.3	3.8	70.1	20.0
1961	364.4	58.5	16.1	13.6	3.7	72.1	19.8
1962	385.3	60.3	15.6	14.1	3.7	74.4	19.3
1963	404.6	62.0	15.3	14.5	3.6	76.5	18.9
1964	438.1	65.1	14.9	15.4	3.5	80.5	18.4
1965	473.2	69.3	14.6	16.5	3.5	85.8	18.1
1966	511.6	74.5	14.5	18.2	3.6	92.7	18.1
1967	546.3	75.4	13.8	19.5	3.6	94.9	17.4
1968 4/	588.8	80.4	13.7	20.9	3.5	101.3	17.2

1/ Derived from data of Department of Commerce, Survey of Current Business and The National Income and Product Accounts of the United States, 1929-65, assuming one-fourth of purchased meals and beverages is alcoholic beverages and the balance of reported alcoholic beverages is for off-premise use (consistent with 1963 Census of Business, Merchandise Line Sales). Omits alcoholic beverages and nonpersonal spending for food such as business purchases of meals, food furnished inmates of hospitals and institutions, and food included with transportation tickets and camp fees. 2/ Includes food consumed on farms where produced. 3/ Includes food served to the military and employees of hospitals, prisons, and food service establishments. 4/ Preliminary.

The rate of increase in income this year is not expected to match the rapid advance of 1968, but the increase in consumer prices may average nearly as large as in 1968. Spending for food likely will gain somewhere around $5 billion this year compared with more than $6 billion last year. The drop results in part from a slower rate of increase in food prices.

In 1968 food expenditures advanced most strongly during the first half when sales by both retail food stores and eating and drinking places were rising sharply (figs. 8 and 9). The leveling off in sales that began in the second half likely is continuing. Although the rate of increase is slowing, no actual decline in sales is expected. The Department of Commerce last fall predicted a 3½% increase in grocery store sales for 1969, and it likely is a conservative estimate. 2/

Total Retail Sales
Drop in 4th Quarter

Sales by the total retail trade bounded upward during the first 3 quarters of 1968 but on a seasonally adjusted basis fell off in the fourth, due mainly to disappointing sales in December (fig. 10). December sales trailed those of November by 2%. In the fourth quarter, consumers added to savings at a little faster rate than previously, and business inventories grew.

A slower rate of expansion in total retail sales is likely in first-half 1969. Consumers appear to be less exuberant in their attitude toward spending. Increased social security taxes and higher income tax payments are expected to cut into growth in disposable income.

2/ U.S. Department of Commerce, U.S. Industrial Outlook, 1969, Business and Defense Services Administration, December 1968, p. 291.

Figure 8

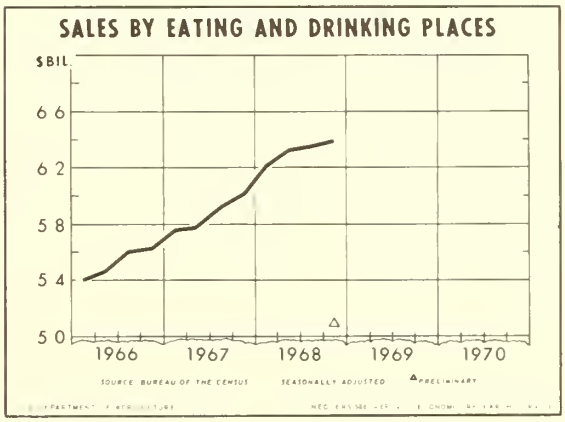

Figure 9

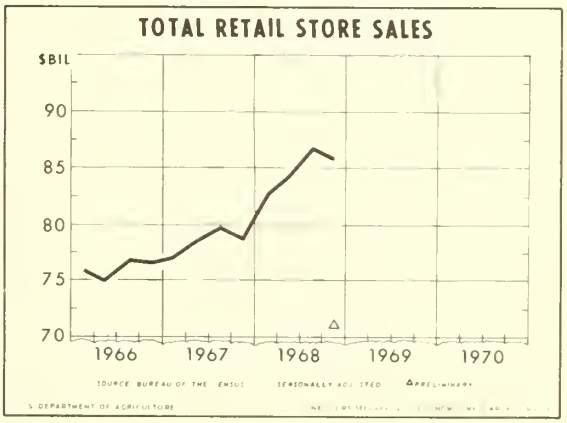

Figure 10

Total retail sales in 1968 exceeded those of a year earlier by 8% (table 3). Sales growth by department stores and the automotive group was particularly strong. The sales increase by food stores was substantial, but lower than for other major groups of retailers.

Table 3.--U.S. retail store sales, 1968

Item	1968	Gain over 1967
	Bil. dol.	Pct.
Food stores	73.4	6
Eating and drinking places	25.4	8
Department stores	33.1	12
Other general merchandise	21.3	1/
Apparel group	19.4	7
Furniture and appliances	16.5	8
Lumber, building, hardware and farm equipment	19.1	1/
Automotive group	65.4	12
Gasoline service stations	24.6	8
Drug and proprietary stores	11.4	7
Total 2/	340.1	8

1/ A change in the sample resulted in lack of comparability. 2/ Total includes data for kinds of business not shown separately.

U.S. Department of Commerce, Retail Sales, Current Business Reports, Advance Monthly, December 1968.

Four-fifths of Sales for Use at Home

About four-fifths of consumer expenditures for food last year took place at grocery and other food stores (including food consumed on farms where produced) and the remaining one-fifth went for food away from home (table 2). Spending for food away from home increased slightly faster than for food at home. But after allowing for price changes, the implied increase in volume was greater for food at home.

About 3½% of disposable income was spent for food away from home in 1968 and a little more than 13½% for food at home. The percentage of income spent for away-from-home food has almost--but not quite--held its own since 1960. Most of the decline in the share of income spent for food has been in food for home use.

The farm value of food originating on U.S. farms last year was equal to about 5% of disposable income and the marketing bill amounted to 10%. Both percentages have dropped since 1960--the farm value is down from 6% and the marketing bill down from 12½%.

Other Spending

The $101 billion of personal spending for food last year does not include business spending for food. This spending, which covers expenditures for business travel, entertainment, and gifts, is largely for meals away from home. Information on the exact amount of this spending is not available because it is included along with other business expenses in the National Income Accounts. This spending may amount to 4% or 5% of the total market for food in the United States. In that case, it would account for around one-sixth of the market for food away from home.

Certain other food is not included in the $101 billion of food expenditures tabulated by the Department of Commerce. Omitted food includes food furnished inmates of hospitals and institutions such as prisons, food distributed free by the Government, and food sold as a "package" component with other goods and services--such as that provided to airline passengers and students attending camps. No valid estimate of the value of this food is available, but it amounts to perhaps $1 to $2 billion.

In addition to the $101 billion of consumer spending on food last year, about $15 billion was spent for alcoholic beverages. We estimate two-fifths of all spending for alcoholic beverages was for drinks away from home and three-fifths for use at home. This estimate--consistent with data from the 1963 Census of Business--assumes that one-fourths of the total sales by eating and drinking places was for alcoholic beverages and three-fourths for food. Of the total spending for food and alcoholic beverages for use at home, one-tenth is estimated to be for alcoholic beverages and nine-tenths for food.

FOOD SUPPLY AND UTILIZATION

Total utilization of all farm food commodities rose 2% during 1968 (cover chart and table 4). Both livestock and crop products participated in the increase. Much of the gain was attributed to an increase in use for domestic food, but nonfood uses of food products also rose. Exports of food commodities in calendar 1968 totaled about the same as a year earlier; livestock products were larger but crops somewhat smaller because of smaller wheat exports.

Output of farm food products last year exceeded the 1967 level (fig. 6, inside cover). The largest increases were among the crop products--noncitrus fruits, processed vegetables, sugar, rice, wheat, and dry edible beans--but livestock product output was larger, too. Imports of both crop and livestock products were larger than a year earlier. The value of all agricultural imports for consumption in 1968, at $5.0 billion, was 13% higher than in 1967. The value of 4 food import items (beef and veal, fruits, coffee, sugar) accounted for almost all of the increase.

The gains in new supply of food products exceeded annual utilization with the result that stocks of crop food commodities were larger at the end of 1968 than at the beginning, but stocks of livestock products were smaller.

Outlook for 1969

A further substantial increase in annual utilization of farm food commodities is likely this year. Use for domestic food likely will be larger and exports of food products little changed. Although estimates at this time are highly tentative, a somewhat larger increase in output appears likely, particularly for livestock products. Imports may not match 1968 levels. But again, the available new supply may slightly exceed utilization with the result that inventory levels at the end of 1969 may equal or slightly exceed those at the beginning. Any increase likely would consist of crop products because stocks of livestock products--mainly cold storage stocks of dairy products and turkey--may be worked lower.

The volume of marketings of food commodities in 1968 exceeded that of a year earlier by around 2% (table 5). Most of the gain was in food crops but livestock marketings were larger, too. An increase in marketings may take place again this year, both for crops and livestock.

Manufacturers' Shipments

Manufacturers' shipments of food and kindred products increased significantly during 1968. 3/ Eleven months' data show an 8% rise over a year earlier. Gains accelerated during the year; in late 1968 shipments exceeded year-ago levels by more than one-tenth. Inventories of these manufacturers gained less rapidly. Consequently, the inventory-sales ratio dropped rather consistently.

Price increases contributed significantly to the increased value of shipments in 1968. Wholesale prices for processed foods rose 3% last year. The largest increases in value of shipments were made by manufacturers of cheese, processed fruits and vegetables, and bakery products.

The value of shipments of food manufacturers is expected to rise more than 4% this year, according to a Department of Commerce estimate last fall. 4/ Since production of many farm products is expected to rise significantly and

---

3/ Included in shipments are the values of all products sold, transferred to other plants of the same company, or shipped on consignment.

4/ U.S. Department of Commerce, U.S. Industrial Outlook, 1969, BDSA, December 1968, p. 62.

Table 4.--Livestock, crop, and total farm food commodities: Supply-utilization indexes by component and relationship of components to annual utilization, 1964 to date 1/

Year	Supply: Production	Supply: Imports 2/	Supply: Stocks 3/	Total annual utilization	Utilization: Domestic use: Food: Civilian	Utilization: Domestic use: Food: Military	Utilization: Domestic use: Nonfood: Seed and feed	Utilization: Domestic use: Nonfood: Other	Utilization: Domestic use: Total	Utilization: Exports and shipments 4/
	A.--All food commodities (1957-59=100) 5/									
1964	110.9	102.6	119.6	118.0	112.1	113.3	---	104.4	111.8	181.4
1965	116.1	101.4	108.9	117.4	112.1	127.6	---	108.4	112.3	170.3
1966	114.4	109.7	110.2	120.4	114.0	136.2	---	110.2	114.3	183.4
1967	123.8	110.2	103.0	121.9	117.8	140.9	---	105.5	117 8	164.5
1968 6/	124.4	120.6	112.4	124.5	120.7	141.6	---	106.4	120.5	165.0
	Livestock food commodities (1957-59=100)									
1964	114.4	137.9	133.6	115.6	114.4	112.8	98.5	94.5	111.8	192.1
1965	112.5	130.1	106.5	113.2	113.4	124.1	94.7	93.6	111.0	132.6
1966	114.6	172.5	88.3	115.2	116.1	132.8	100.1	87.4	113.7	104.7
1967	118.5	181.7	102.4	118.7	120.0	143.8	88.1	90.9	117.2	106.6
1968 6/	119.2	200.4	131.9	121.2	122.7	146.1	83.2	94.2	119.6	112.4
	Crop food commodities (1957-59=100)									
1964	106.0	97.1	118.9	117.6	107.2	114.8	110.5	110.3	108.7	178.9
1965	117.5	96.7	109.0	118.7	109.4	135.9	109.2	117.4	109.9	179.1
1966	118.1	100.2	111.3	127.5	109.6	148.0	125.4	124.0	116.7	201.9
1967	128.0	99.7	103.0	123.8	113.0	130.9	119.9	114.3	115.9	178.1
1968 6/	129.8	108.8	111.4	126.9	116.5	125.8	124.6	113.8	119.5	177.3
	B.--All food commodities: Percentage of annual utilization 5/									
1964	86.1	9.9	4.0	100.0	82.0	1.5	---	2.9	86.4	13.6
1965	90.6	9.9	-.5	100.0	82.4	1.8	---	3.0	87.2	12.8
1966	87.0	10.4	2.6	100.0	81.8	1.8	---	2.9	86.5	13.5
1967	93.0	10.3	-3.3	100.0	83.4	1.9	---	2.8	88.1	11.9
1968 6/	91.5	11.1	-2.6	100.0	83.7	1.8	---	2.8	88.3	11.7
	Livestock food commodities: Percentage of annual utilization									
1964	96.7	2.5	.8	100.0	90.0	1.9	2.3	1.5	95.7	4.3
1965	97.0	2.5	.5	100.0	91.0	2.1	2.3	1.6	97.0	3.0
1966	97.2	3.2	-.4	100.0	91.6	2.2	2.4	1.4	97.6	2.4
1967	97.5	3.3	-.8	100.0	91.9	2.3	2.1	1.4	97.7	2.3
1968 6/	96.1	3.5	.4	100.0	91.9	2.3	1.9	1.5	97.6	2.4
	Crop food commodities: Percentage of annual utilization									
1964	78.9	14.9	6.2	100.0	44.5	.6	32.1	3.4	80.6	19.4
1965	86.7	14.7	-1.4	100.0	45.0	.8	31.5	3.5	80.8	19.2
1966	81.0	14.2	4.8	100.0	42.0	.7	33.6	3.5	79.8	20.2
1967	90.4	14.6	-5.0	100.0	44.6	.7	33.1	3.3	81.7	18.3
1968 6/	89.5	15.5	-5.0	100.0	44.8	.6	33.6	3.2	82.2	17.8

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis. Includes essentially all commodities having any U.S. food use. For list of food commodities and comparable data for 1950-63, see National Food Situation, NFS-124 (May 1968), pp. 15-17.

2/ Includes shipments from U.S. Territories.

3/ Farm (other than live animals), commercial, and Government program holdings. Section A: January 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes. Negatives indicate stock increases; positives signify withdrawals.

4/ Includes shipments to U.S. Territories.

5/ Feed and seed omitted from total commodities to avoid double counting of use through livestock.

6/ Preliminary.

Table 5.--Volume of farm marketings and home consumption 1/
(1957-59=100)

Item	1967	1968 Preliminary	Percentage change
			Percent
All farm commodities	121	123	2
Food and marketings and home consumption	121	122	1
Food marketings	125	127	2
Total food livestock	124	125	1
Meat animals	128	131	2
Poultry and eggs	141	138	-2
Dairy products	104	104	0
Total food crops	126	131	4
Food grains	139	142	2
Vegetables 2/	115	120	4
Fruit and nuts	115	109	-5
Sugar crops	138	165	20
Home consumption	48	46	-4
Livestock	50	48	-4
Crops	44	43	-2
Nonfood marketings	121	125	3

1/ Quantities of farm products weighted by constant farm prices. Data beginning 1910 reported in Food Consumption, Prices and Expenditures, Agric. Econ. Report No. 138, July 1968, p. 163. 2/ Includes potatoes, dry edible beans, and melons.

wholesale prices to stabilize, this year's increase likely will be due mostly to volume gains. Largest gains are likely for shipments of meat, poultry, cheese, processed fruits and vegetables, and miscellaneous products.

The value of shipments by beverage manufacturers in 1968 rose more strongly than did shipments by food manufacturers. A similar situation is expected this year (table 6). Shipments of soft drinks (including flavorings) rose more rapidly than alcoholic beverages last year. This increase, expected again this year, reflected increasing prices as well as rising disposable income and growing population of the high consuming age groups. Per capita consumption of soft drinks last year reached 19.4 gallons. It compares with 17.4 gallons per capita of malt liquors, mainly beer, consumed in 1968.

Table 6.--Value of shipments for beverage industries, 1968 and 1969 1/

Item	1968	1969	Percentage change 1968/69
	-- Million dollars --		-Percent-
Wines and brandy	446	470	5.4
Distilled liquor 2/	1,509	1,591	5.4
Flavorings	1,154	1,244	7.8
Malt liquor	2,890	3,006	4.0
Canned and bottled soft drinks	3,150	3,380	7.3
Total	9,149	9,691	5.9

1/ Estimated last fall by BDSA, Department of Commerce. Recent months' data imply that final 1968 totals likely will be raised. 2/ Value of production.

U.S. Department of Commerce, U.S. Industrial Outlook, 1969, Business and Defense Services Administration, December 1968, p. 73.

CONSUMPTION AND DEMAND

Food supplies increased more in the second half of 1968 than had been expected. Thus, per capita consumption for the year rose 0.7% from the previous year (table 7). Consumption of crop products averaged the same as a year earlier, but consumption of animal products rose more than 1% per capita (fig. 5, inside cover).

Meat consumption exceeded year-earlier levels throughout 1968, but increases were particularly large during the third and fourth quarters (table 8 and fig. 11). Consumption of some other animal products--poultry, eggs, and animal fats--dropped below year-earlier levels in the second-half year (figs. 12 and 13). Thus, the increase in consumption of total animal products was limited. Even so, meat prices were stronger than supplies of livestock products would suggest.

The increase in food consumption last year was centered in meat products. Beef consumption rose 3½ pounds and pork was up 2 pounds (table 9). These increases were only partly offset by reduced consumption of veal and lamb. Consumption of fishery products also gained significantly in 1968. Most of the gain was in fresh and frozen fish, but consumption of canned fish edged upward, too.

Per capita consumption of each of the major poultry products last year dropped slightly below 1967 levels. The largest decline was for turkey, which dropped despite lower prices. Poultry consumption dropped the most during the fourth quarter when consumption is seasonally the highest.

Per capita consumption of total dairy products (milk equivalent basis) in 1968 declined slightly from a year earlier, although consumption stabilized during the last half. Cheese consumption again stood out with a rather large increase, and consumption of both ice cream and butter also gained. The rise in consumption of butter--aided by a rise in donations--took place at the same time as a small increase for margarine. Consumption of fluid whole milk and cream and condensed and evaporated milk again declined. However, the decline for fluid whole milk was offset by an increase in fluid low-fat and skim milk.

Since consumption of several relatively high-valued products increased, per capita consumption of total dairy products increased slightly when measured in terms of the food consumption index (tables 7 and 8). This quantity index uses constant retail prices as index weights.

Consumption of fats and oils last year rose about 1% from the previous year to about the level of 2 years earlier. Aside from the increases for butter and margarine, consumption of lard and shortening rose, but dropped slightly for other edible fats and oils. The increases in consumption were coupled with a decline in prices, both at wholesale and retail.

Supplies of fresh citrus fruits during 1968 were down sharply from a year earlier, resulting in a 2-pound decline in per capita consumption of all fresh fruits. Supplies of canned fruits were sharply lower during the first half because of small carryin stocks, but supplies expanded during the second half when non-citrus fruit production jumped (except for apples). Per capita consumption of canned fruit was maintained for the year. Consumption of frozen juice--largely citrus--dropped, but canned juice was up a half pound. Fruit consumption in total dropped about 2% per capita, in terms of the food consumption index.

Fresh vegetable supplies, reduced early in 1968 and again late in the year, were plentiful during the peak months of harvest. Per capita consumption of processed vegetables--both canned and frozen--expanded during 1968 because of large carryin stocks plus large crops of most vegetables for processing. Prices were well maintained in view of the large supplies.

Table 7.--Food consumption per capita, 1960-68 1/

(1957-59=100)

Selected years	Meat	Poultry	Fish	Eggs	Dairy products 2/	Fats and oils: Animal 2/	Fats and oils: Vegetable	Fats and oils: Total	Fruits 3/: Fresh	Fruits 3/: Processed	Fruits 3/: Total
1960	102	102	98	94	98	92	106	99	97	102	99
1961	101	112	102	92	97	94	103	99	93	99	96
1962	102	110	101	92	97	93	107	100	89	103	95
1963	105	112	102	89	97	89	112	101	80	94	87
1964	108	114	99	89	97	87	119	103	85	91	88
1965	104	122	103	88	96	83	121	102	87	96	92
1966	106	131	102	88	95	75	134	105	87	97	92
1967	110	136	102	91	93	75	131	104	86	107	96
1968 6/	113	134	105	90	94	76	131	104	85	103	94

Selected years	Vegetables 4/: Fresh	Vegetables 4/: Processed	Vegetables 4/: Total	Potatoes and sweetpotatoes: Fresh	Potatoes and sweetpotatoes: Processed	Cereal products	Sugar and sweeteners	Coffee, tea, and cocoa	All food: Animal products	All food: Crops 5/	All food: Total
1960	100	103	101	94	131	100	102	101	99.6	101.5	100.5
1961	98	104	99	92	137	99	102	102	99.7	100.7	100.1
1962	95	109	99	88	150	98	103	103	100.1	100.8	100.4
1963	94	109	99	90	160	97	103	106	101.3	100.2	100.8
1964	93	111	98	82	178	98	103	103	102.8	100.7	101.8
1965	93	116	99	77	202	98	103	100	100.9	102.0	101.4
1966	91	118	99	77	229	96	104	100	102.1	103.0	102.5
1967	92	122	100	74	230	97	104	101	104.2	104.2	104.2
1968 6/	91	124	101	74	230	97	106	102	105.6	104.2	104.9

1/ Civilian consumption only. Quantities of individual foods are combined in terms of 1957-59 retail prices. Data for earlier years, are given in table 2, National Food Situation, NFS-124 (May 1968), p. 2, and in table 1, Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, June 1968.

2/ Includes butter.

3/ Excludes melons and baby food.

4/ Excludes soup, baby food, dry beans and peas, potatoes, and sweetpotatoes.

5/ Includes melons, dry beans and peas, nuts, soup, and baby food in addition to groups shown separately.

6/ Preliminary.

Table 8.--Livestock products: Per capita civilian consumption indexes, quarterly, 1966-68 1/

(1957-59=100)

Year and quarter		Meat	Poultry	Eggs	Dairy products		Animal fats, including butter	Total livestock products 2/
					Excluding butter	Including butter		
1966	I	101.9	103.2	88.4	98.7	96.9	80.1	98.8
	II	104.2	120.0	85.8	98.4	95.8	71.7	100.5
	III	106.9	139.4	86.7	97.3	93.9	70.1	102.9
	IV	110.3	159.7	91.5	94.4	92.5	77.0	105.9
1967	I	110.7	110.7	91.1	95.0	93.1	77.8	102.4
	II	108.6	128.3	88.4	96.8	93.9	70.3	102.9
	III	110.2	143.2	90.7	96.3	93.4	73.0	104.9
	IV	111.0	164.0	94.7	94.2	92.3	78.4	106.8
1968 3/	I	111.6	111.9	92.3	95.8	93.8	79.7	103.3
	II	111.0	122.5	88.9	97.4	94.9	73.6	103.9
	III	114.0	142.6	88.4	97.4	94.4	72.0	106.8
	IV	115.8	157.2	89.8	94.9	92.6	77.0	108.3

1/ Quantities of individual foods, measured in pounds equivalent to the form sold by retail food stores, combine in terms of average 1957-59 retail prices. Data since 1955 are in Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, July 1968. 2/ Excludes fish and honey. 3/ Preliminary.

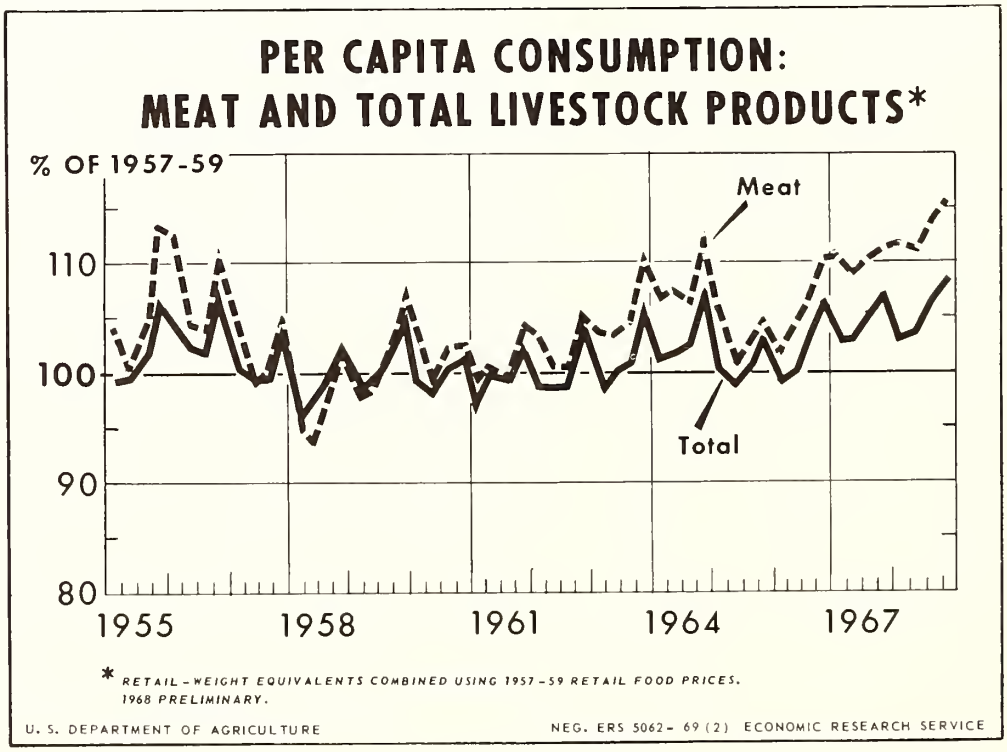

Figure 11

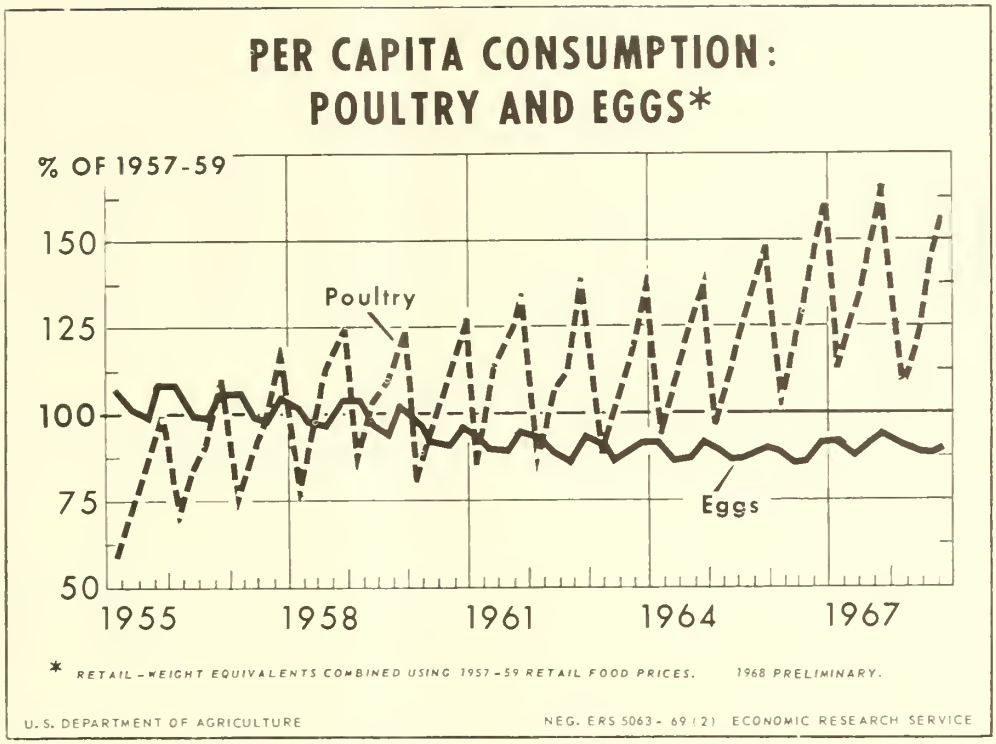

Figure 12

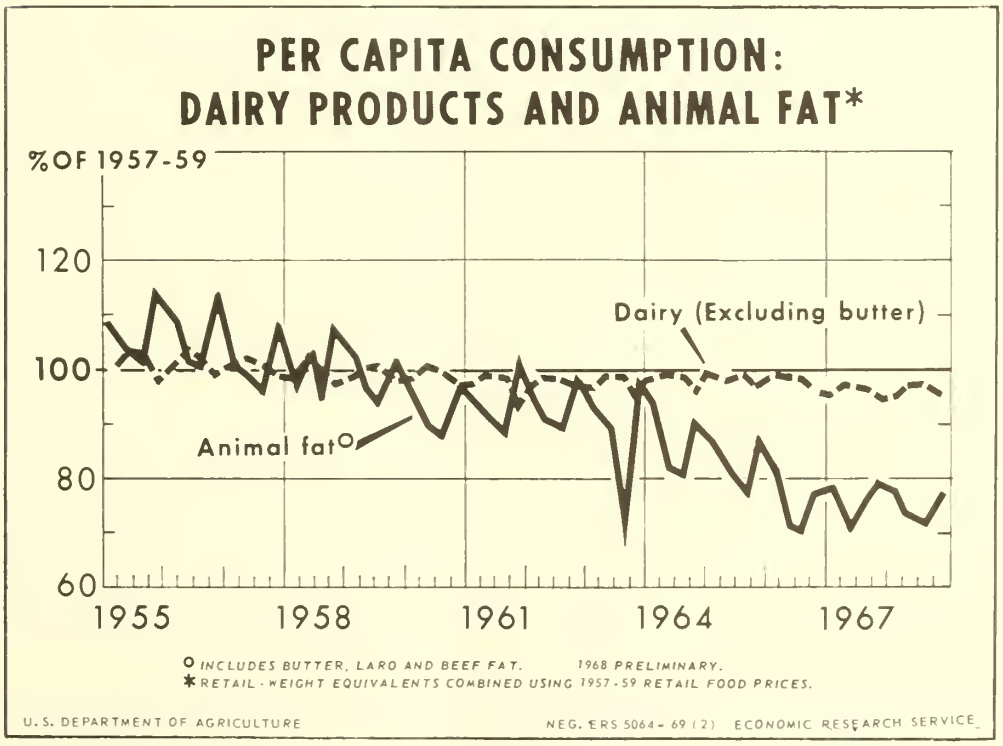

Figure 13

Table 9.--Civilian per capita consumption of major food commodities (primary distribution weight) and civilian population, average 1957-59, annual 1964-68 1/

Commodity	Average 1957-59	1964	1965	1966	1967	1968 Preliminary	1968 as percentage of 1967
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent
Meats (carcass weight)	156.6	174.5	166.7	170.5	177.5	182.7	103
Beef	82.1	99.8	99.3	104.0	105.9	109.6	103
Veal	7.1	5.2	5.2	4.5	3.8	3.5	92
Lamb and mutton	4.4	4.2	3.7	4.0	3.9	3.8	97
Pork (excluding lard)	63.0	65.3	58.5	58.0	63.9	65.8	103
Fish (edible weight)	10.5	10.5	10.9	10.8	10.7	11.1	104
Poultry products							
Eggs (farm basis) - Number	356	318	314	313	324	320	99
Chicken (ready-to-cook)	27.5	31.0	33.3	36.0	37.1	36.8	99
Turkey (ready-to-cook)	6.0	7.3	7.5	7.8	8.6	8.0	93
Dairy products							
Cheese	7.9	9.4	9.5	9.7	10.0	10.6	106
Condensed and evaporated milk	14.8	11.3	10.6	9.7	9.0	8.6	96
Fluid milk and cream (milk equivalent)	337	304	301	296	286	281	98
Ice cream (product weight)	18.4	18.2	18.5	18.1	17.8	18.5	104
Fats and Oils - Total, fat content	45.3	47.5	47.7	49.8	49.2	49.6	101
Butter (actual weight)	8.2	6.8	6.4	5.7	5.5	5.6	102
Margarine (actual weight)	8.9	9.7	9.9	10.5	10.5	10.7	102
Lard	9.3	6.3	6.4	5.5	5.4	5.6	104
Shortening	11.4	13.7	14.0	15.9	15.9	16.3	103
Other edible fats and oils	10.8	14.2	14.1	15.3	15.1	14.5	96
Fruits							
Fresh	95.5	78.6	80.9	81.2	80.5	78.1	97
Citrus	34.0	26.1	29.0	29.0	31.5	26.0	83
Apples (commercial)	21.0	17.8	16.3	15.9	16.2	15.3	94
Other (excluding melons)	40.5	34.7	35.6	36.3	32.8	36.8	112
Processed:							
Canned fruit	22.4	22.9	23.4	22.8	22.5	22.5	100
Canned juice	13.5	11.4	10.8	11.6	11.7	12.2	104
Frozen (including juices)	8.6	7.4	8.5	8.1	10.1	9.2	91
Dried	3.3	2.9	3.0	3.0	2.8	2.8	100
Vegetables							
Fresh 2/	104.1	98.5	98.4	95.8	96.7	96.5	100
Canned, excluding potatoes and sweetpotatoes	43.3	45.7	46.8	47.4	48.8	49.3	101
Frozen, excluding potatoes	6.6	7.6	8.1	8.8	9.0	9.3	103
Potatoes, fresh equivalent	106.9	110.8	107.6	113.3	111.5	111.8	100
Sweetpotatoes, fresh equivalent	8.3	5.5	6.2	6.3	5.8	5.5	95
Grains							
Cornmeal and flour	7.4	5.8	5.7	5.6	5.5	5.5	100
Corn sirup	9.4	13.6	13.6	14.0	14.0	14.2	101
Corn sugar	3.6	4.4	4.5	4.5	4.6	4.6	100
Wheat flour 3/	120	114	113	111	112	111	99
Wheat cereals	2.8	2.9	2.9	2.9	2.9	2.9	100
Rice, milled	5.4	7.0	7.6	7.3	7.5	7.8	104
Other							
Coffee (green beans)	15.7	15.3	14.8	14.5	14.8	15.0	101
Tea	.58	.67	.68	.69	.69	.73	106
Cocoa beans	3.5	3.9	4.0	4.2	4.2	4.3	102
Peanuts (shelled)	4.6	5.3	5.6	5.4	5.7	5.7	100
Dry edible beans	7.7	7.6	6.6	6.3	6.9	6.7	97
Melons	25.1	23.0	23.6	21.9	21.9	21.9	100
Sugar (refined)	96.1	96.5	96.4	97.4	97.1	98.5	101
Civilian population 4/	Million 171.5	Million 189.4	Million 191.9	Million 193.8	Million 195.7	Million 197.6	Percent 101

1/ Quantity in pounds except for eggs. Data on calendar year basis except for dried fruits, which are on pack-year basis, fresh citrus fruits and peanuts on a crop-year basis, and rice on August 1 year. Fresh citrus year begins in previous October and rice year begins in previous August. 2/ Commercial production for sale as fresh produce. 3/ Includes white, whole wheat, and semolina flour. 4/ July 1 civilian population (50 States beginning 1960) used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

Potato consumption last year remained about the same as a year earlier, on a fresh equivalent basis. As usual, consumption of frozen potatoes increased.

Per capita consumption of wheat flour in all products dropped about 1 pound or 1% from a year earlier. Consumption of most other cereal products remained around 1967 levels except for rice, which increased around 4% per capita.

Coffee consumption in 1968 remained around the level of a year earlier. But, consumption of tea, which usually gains only slightly, last year rose an estimated 6%.

Outlook for 1969

Current and prospective expansion in output of many farm products points to an increase in per capita food consumption again this year. Some of the increases in output that began in the last part of 1968 are providing increased supplies for use in 1969. The current outlook is for an increase in per capita consumption this year of nearly 1%, to be shared by both crop and animal products.

Both beef and pork likely will contribute to the increase in consumption again this year. Supplies of beef are expected to be particularly large in the first half and pork supplies will likely be larger throughout the year. Consumption of chicken probably will rise significantly after the first quarter, and turkey use may turn up more than seasonally in the second half. Consumption of meat and poultry combined may be relatively heaviest during the second and fourth quarters.

Consumption of eggs is expected to drop again this year--mostly during the first 2 or 3 quarters. Per capita consumption of dairy products may again slip downward on the average, on a milk equivalent basis.

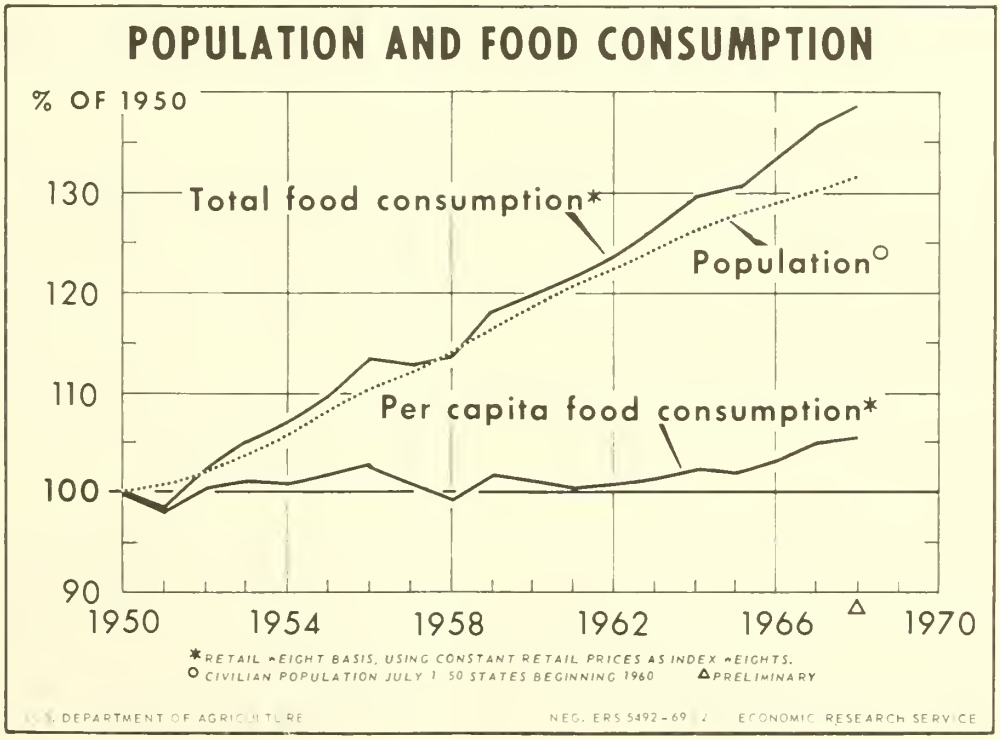

Figure 14

Consumption of fruit likely will recover this year from the decline in 1968. Production of oranges and grapefruit this winter likely will exceed a year earlier, even though the juice content of oranges is down significantly. Supplies of processed noncitrus fruits carried over from 1968--particularly peaches, pears, and fruit cocktail--also are much larger. Supplies of dried fruits are larger, too. But last year's commercial apple crop was down slightly and stocks of fresh apples and pears on January 1, 1969, were low. Nevertheless, consumption of both total fresh and total processed fruit likely will increase substantially during at least the first part of 1969.

Fresh vegetable output this winter is expected to much exceed a year earlier, with abundant supplies indicated for cabbage, carrots, celery, lettuce, and tomatoes. Supplies of processed vegetables also are much larger because of larger 1968 packs of most canned vegetables. These supplies likely will lead to a gain in total vegetable consumption in 1969. Potato supplies on January 1 were smaller than a year earlier, and early spring harvest may be down. But late spring plantings are expected to be up.

Population Growth

The growth rate of the civilian population in the last few years slowed from an annual rate of around 1.7% to around 1.0%, because of the slowdown in the birth rate and increase in size of the Armed Forces. Some pickup in the rate of growth is indicated this year; the civilian population is expected to reach the 200 million mark by midyear. This increase tempers slightly the per capita consumption of food that otherwise would be implied by the expected increase in food supplies (fig. 14).

SWEETENER SITUATION

Calendar 1968 was generally a good year for the sweetener industry. Domestic output of sugar crops in 1968/69 was up substantially, although most of the sugar produced on the mainland will not be marketed until calendar 1969. Moreover, consumption in 1968 increased slightly over the previous year's 97.1 pounds per capita.

Prices Firm

Domestic sweetener prices are generally firm. Raw sugar prices rose 3% in 1968 while quoted prices for wholesale refined sugar generally increased about 2% (table 10). Retail prices nearly stabilized during 1968.

Wholesale dextrose prices have generally paralleled wholesale refined sugar prices. Bagged dextrose (dry basis) typically sells for 87% of bulk dry sugar. Corn sirup prices declined after 1966, but recovered slightly in early 1968 and have since leveled off.

Reported noncaloric sweetener prices did not budge during 1967 or 1968. This year, sweetener prices appear likely to continue firm.

Deliveries Rose in 1968

Sugar output from 1968/69 U.S. sugar crops (excluding Puerto Rico) is expected to exceed a year earlier by 14%. All of the gain is due to a one-third jump in output of beet sugar, to 3.5 million tons, raw value. 5/ Expected cane sugar output of 2.5 million tons likely will be down about 4.5% from last year. The cane crop was larger in Hawaii but smaller in Florida and Louisiana.

Trade sources report that the 1969/70 sugarbeet crop may be as large as this crop year, with the Hawaiian cane crop almost the same. The Florida and

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5/ 107 pounds of sugar, raw value, is equivalent to 100 pounds of refined sugar.

Table 10.--U.S. sweeteners and beverages: Selected prices, 1966-68 1/

Item	Unit or base period	Cents per unit (or index number)						
		1966	1967	1968				
				I	II	III	IV	Year
Sweeteners								
Sugar:								
Raw--New York, duty paid	Lb.	6.99	7.28	7.38	7.48	7.60	7.62	7.52
Wholesale, refined sugar:								
Northeast cane 2/	Lb.	10.21	10.47	10.51	10.61	10.75	10.90	10.69
Chicago--West, cane or beet 2/	Lb.	9.29	9.55	9.75	9.85	9.85	9.70	9.79
Pacific coast--cane or beet 2/	Lb.	9.40	9.96	10.18	10.25	10.25	10.13	10.20
Retail (5 lb. package)	Lb.	12.04	12.10	12.14	12.18	12.20	12.22	12.18
Corn sirup, dry basis--wholesale, Chicago	Lb.	6.72	6.34	6.03	6.19	6.19	6.27	6.17
Dextrose, dry basis--wholesale, Chicago	Lb.	8.08	8.31	8.45	8.51	8.58	8.43	8.49
Saccharin--wholesale (except calcium salt)	Lb.	1.44	1.30	1.30	1.30	1.30	1.30	1.30
Cyclamate--wholesale	Lb.	.62	.55	.55	.55	.55	.55	.55
Cocoa and Chocolate								
Wholesale:								
Cocoa beans--New York "Accra"	Lb.	24.4	29.0	30.5	29.9	32.5	44.7	34.4
Cocoa butter	Lb.	42.3	53.1	60.5	60.9	61.2	70.9	63.0
Unsweetened chocolate	Lb.	23.1	28.2	29.6	30.4	31.5	38.3	31.9
Unsweetened cocoa powder	Lb.	7.3	9.9	10.4	11.1	11.8	11.2	11.2
Milk chocolate coatings	1957-59=100	95.2	104.5	110.5	110.5	111.6	124.8	114.4
Solid chocolate candy bars	1957-59=100	95.2	104.9	105.9	108.9	115.0	115.0	111.2
Retail:								
Chocolate bars (1 oz.-bar)	Oz.	4.6	5.0	5.0	5.1	5.5	5.7	5.3
Beverages								
Coffee:								
Green--New York:								
Robusta--Ambriz No. 2AA	Lb.	34.4	34.3	35.8	35.2	34.4	33.4	34.7
Brazilian--Santos No. 4	Lb.	41.4	38.4	37.4	37.8	37.7	37.7	37.6
Columbian--Manizales	Lb.	48.0	42.5	42.6	43.2	43.5	43.5	43.2
Retail:								
Roasted--can	Lb.	82.3	76.9	75.9	76.5	76.7	76.4	76.4
Roasted--bag	Lb.	69.3	65.2	62.4	62.5	62.8	62.8	62.6
Instant	6 oz.	90.9	87.9	88.0	88.9	89.7	91.0	89.4
Tea:								
Wholesale, black tea--New York	Lb.	48.2	46.4	46.3	45.8	46.2	45.7	46.0
Retail--48 tea bags	Pkg.	61.2	60.8	60.2	60.9	60.7	60.7	60.6
Soft drinks:								
Wholesale:								
Cola drinks	1957-59=100	132.1	136.6	143.3	146.7	147.7	151.6	147.3
Retail:								
Cola drinks (6 12-oz. bottles)	Carton	56.6	60.8	63.6	64.9	65.6	66.3	65.1
Carbonated fruit drink (6 12-oz. bottles)	Carton	54.8	57.0	59.0	60.4	61.0	61.8	60.6

1/ Wholesale sugar prices from Sugar Reports, published monthly by ASCS, U. S. Department of Agriculture. Saccharin, cyclamate, and cocoa bean prices from Journal of Commerce. Cocoa butter, unsweetened chocolate and unsweetened cocoa powder prices are derived unit values of imported products, f.o.b. country of origin. All other prices and price indexes from Bureau of Labor Statistics.

2/ Bulk-delivery-basis price.

Table 11.--U.S. sweeteners: Selected supply and distribution data, 1966-68

Item	Unit	1966	1967	1968				
				I	II	III	IV 1/	Total
Sugar:								
Sources of supply (raw value 2/):								
Beet sugar distribution	1,000 ton	3,024	2,824	580	666	894	955	3,095
Cane sugar:								
U.S. Mainland shipments	1,000 ton	1,100	1,169	399	113	135	557	1,204
Inshipments from Hawaii	1,000 ton	1,200	1,253	196	317	332	347	1,192
Inshipments from Puerto Rico	1,000 ton	717	705	81	195	154	74	504
Total U.S. grown	1,000 ton	6,041	5,951	1,256	1,291	1,515	1,933	5,995
Imports:								
Western Hemisphere	1,000 ton	2,638	2,811	706	865	1,078	678	3,327
Philippines	1,000 ton	1,186	1,123	171	408	308	238	1,125
Other countries	1,000 ton	490	499	26	114	152	223	515
Total imports	1,000 ton	4,314	4,433	903	1,387	1,538	1,139	4,967
Total	1,000 ton	10,355	10,384	2,159	2,678	3,053	3,072	10,962
Refined sugar deliveries: 3/								
By type of food use:								
Beverages	1,000 ton	1,740	1,785	401	539	592	477	2,009
Cereal and bakery products	1,000 ton	1,234	1,286	318	341	357	384	1,400
Confectionery products	1,000 ton	1,000	1,004	250	259	260	312	1,081
Processed foods 4/	1,000 ton	878	843	149	199	388	215	951
Dairy products	1,000 ton	483	486	106	141	153	123	523
Other food uses 5/	1,000 ton	441	424	103	106	115	121	445
All industrial	1,000 ton	5,776	5,828	1,327	1,585	1,865	1,632	6,409
Wholesalers	1,000 ton	2,284	2,176	476	546	615	583	2,220
Retailers	1,000 ton	1,201	1,188	267	296	341	317	1,221
Other	1,000 ton	187	230	45	44	50	68	207
All nonindustrial	1,000 ton	3,672	3,594	788	886	1,006	968	3,648
Total 3/	1,000 ton	9,448	9,422	2,115	2,471	2,871	2,600	10,057
By type of package:								
Consumer packages (less than 50 pounds)	1,000 ton	2,642	2,554	592	599	725	652	2,568
Liquid sugar 6/	1,000 ton	2,140	2,189	466	619	844	592	2,521
Bulk granulated	1,000 ton	2,244	2,346	566	672	664	681	2,583
Large package (50 pounds and over)	1,000 ton	2,497	2,399	507	599	655	695	2,456
Total 3/	1,000 ton	9,523	9,488	2,131	2,489	2,888	2,620	10,128
By region of country:								
Northeast 7/	1,000 ton	2,893	2,893	677	745	802	790	3,014
South 8/	1,000 ton	2,147	2,117	490	579	641	582	2,292
North Central	1,000 ton	3,103	3,130	716	814	952	892	3,374
West 9/	1,000 ton	1,570	1,532	293	396	548	407	1,644
Total 3/	1,000 ton	9,713	9,672	2,176	2,534	2,943	2,671	10,324
Dextrose shipments--dry basis	1,000 ton	390	380	90	98	108	96	392
Noncaloric sweeteners:								
U.S. production	1,000 pound	17,346	17,501	---	---	---	---	(20,000)
Saccharin imports	1,000 pound	837	684	145	276	257	158	836
Per capita consumption:								
Refined sugar	Pound	97.4	97.1	21.3	24.7	28.7	23.8	98.5
Corn sirup--dry basis	Pound	12.5	12.6	3.0	3.1	3.7	3.0	12.8
Dextrose--dry basis	Pound	5.0	5.0	1.2	1.3	1.3	1.2	5.0
Saccharin--sugar sweetness equivalent 10/	Pound	4.6	5.2	---	---	---	---	5.7
Cyclamate--sugar sweetness equivalent 11/	Pound	2.0	2.3	---	---	---	---	2.7

1/ Estimated. 2/ 107 tons of sugar, raw value is equivalent to 100 tons of refined sugar. 3/ Total deliveries by type of use and by type of package differ from total deliveries by region of country because of differences in scope of coverage. Deliveries by region generally account for over 99% of total deliveries. 4/ Primarily used in canned and frozen foods and jams, jellies and preserves. 5/ Includes use in blended sirups and meat curing. 6/ Sugar solids basis. 7/ Includes Delaware, Maryland, Virginia, West Virginia and District of Columbia. 8/ Excludes States listed in footnote 7. 9/ Includes Hawaii and Alaska. 10/ Assumes saccharin is 300 times as sweet as sugar. 11/ Assumes cyclamate is 30 times as sweet as sugar.

Source: Sugar and dextrose data from Sugar Reports published monthly by ASCS, U.S. Department of Agriculture. Noncaloric sweetener production data from U.S. Tariff Commission (1968 estimated by ERS). Saccharin import data from Bureau of Census. Saccharin and cyclamate consumption estimated on basis of trade information.

Table 12.--U.S. beverages and cocoa: Selected supply and distribution data, 1966-68 1/

Item	Unit	1966	1967	1968				
				I	II	III	IV 2/	Total
Beverages and materials								
Coffee:								
Green bean imports:								
Colombian milds	Mil. lb.	405	430	114	100	126	111	451
Other milds	Mil. lb.	701	702	193	151	216	174	734
Unwashed Arabica	Mil. lb.	984	935	297	310	338	271	1,216
Total Arabica	Mil. lb.	2,090	2,067	604	561	680	556	2,401
Robusta	Mil. lb.	771	704	229	217	264	197	907
Total imports	Mil. lb.	2,861	2,771	833	778	944	753	3,308
Roastings (bean basis):								
Regular	Mil. lb.	2,351	2,393	644	544	552	631	2,371
Instant soluble	Mil. lb.	466	423	108	111	99	109	427
Total	Mil. lb.	2,817	2,816	752	655	651	740	2,798
Per capita consumption (bean basis):								
Regular	Lb.	2.4	2.5	---	---	---	---	2.5
Instant	Lb.	12.1	12.3	---	---	---	---	12.5
Total	Lb.	14.5	14.8	4.0	3.5	3.5	4.0	15.0
Tea (leaf basis):								
Imports	Mil. lb.	132	142	34	42	42	36	154
Per capita consumption	Lb.	0.69	0.69	---	---	---	---	0.73
Soft drinks:								
Shipments:								
Sugar sweetened	Mil. pints	24,279	25,198	---	---	---	---	26,230
Low calorie	Mil. pints	3,952	4,447	---	---	---	---	4,996
Total	Mil. pints	28,231	29,645	6,278	8,436	9,358	7,154	31,226
Per capita consumption:								
Sugar sweetened	Pints	123.4	126.7	---	---	---	---	130.4
Low calorie	Pints	20.1	22.4	---	---	---	---	24.8
Total	Pints	143.5	149.1	31.2	41.9	46.6	35.5	155.2
Cocoa and chocolate								
Imports:								
Cocoa beans	Mil. lb.	700	617	146	166	101	85	498
Unsweetened cocoa powder	Mil. lb.	99	105	28	30	31	31	120
Cocoa butter	Mil. lb.	21	23	4	6	7	3	20
Unsweetened chocolate	Mil. lb.	8	9	3	3	2	2	10
Total semi-processed (bean basis)	Mil. lb.	157	169	41	49	53	50	193
Consumer products (bean basis)	Mil. lb.	17	18	6	4	5	7	22
Cocoa bean grind (bean basis)	Mil. lb.	646	648	167	160	151	163	641
Total confectionery shipments	Mil. lb.	3,668	3,765	978	826	1,014	1,071	3,889
Per capita consumption:								
Cocoa and chocolate (bean basis)	Lb.	4.2	4.2	1.1	1.1	1.0	1.1	4.3
Total confectionery products	Lb.	19.2	19.6	5.0	4.3	5.2	5.5	20.0

1/ All imports plus coffee roastings from Bureau of Census. Total soft drink shipments from National Soft Drink Association; sugar-sweetened and low-calorie components estimated on basis of trade information. Cocoa bean grind and confectionery manufacturer's shipments from Business and Defense Services Administration, U.S. Department of Commerce.

2/ Estimated.

Louisiana 1969/70 cane crops are expected to be down moderately due to a mandatory reduction in sugarcane acreage for harvest.

Total imports of sugar for U.S. consumption in 1968 were up 12% over 1967 (table 11). Imports from most countries were up but imports from the Philippines remained about the same.

Refined sugar deliveries were up 7% in 1968. There were increases in most categories, particularly for use in beverages and processed foods. Bulk sugar and liquid sugar deliveries to manufacturers rose. Deliveries of sugar to wholesalers and retailers declined, continuing long-term trends.

Warmer weather in 1968 apparently stimulated use of sugar in cool beverages. The U.S. population rose 1% from a year earlier and per capita consumption of sugar increased by an additional 1%. The noncitrus fruit and tomato crops were up substantially over 1967, requiring more sugar for canning. Also, a significant increase in sugar stocks held by industrial food and beverage users apparently added to shipments.

The per capita demand for sugar is not expected to be quite as strong in 1969 as in 1968. The demand for increasing pipeline stocks likely will not recur. Moreover, the quantity of noncitrus fruit available for canning is not likely to exceed last year's bumper crop.

Strong Demand for Soft Drinks

Deliveries of 2.01 million tons of refined sugar for use in commercially prepared beverages during 1968 were up 13% from 1967. Deliveries in 1969 should exceed 1968 but likely by a smaller margin.

Soft drink shipments likely totaled about 31 billion pints in 1968 (table 12). Preliminary estimates indicate per capita consumption averaged 155 pints in 1968--up about 4% over 1967. An even larger increase is expected in 1969. The U.S. Department of Commerce (BDSA) anticipates another substantial increase in shipments.

Trade sources estimate that about 15% of the total consumption of soft drinks in 1968 consisted of low-calorie products, up from 14% in 1967; the share likely will increase again in 1969.

Most increase in consumption of low calorie soft drinks apparently represents an expanded market. Put another way, if low calorie soft drinks were not commercially available, the rate of increase of consumption in sugar sweetened soft drinks probably would not greatly exceed the growth rate of recent years. Use of sugar in soft drinks has grown more rapidly than any other use of sugar, despite the increase in use of noncalorics.

Rising consumption of soft drinks reflects a very strong demand. Wholesale soft drink prices in 1968 (cola drinks) were up 8% from 1967. U.S. retail prices for cola-flavored soft drinks averaged 65.1 cents per six pack (12-oz. bottles) in 1968 and fruit-flavored soft drinks averaged 60.6 cents, both up 7% over 1967. Soft drink prices are likely to increase again in 1969.

COFFEE SITUATION

Current Situation

The world coffee crop for the 1968/69 marketing year is expected to be down about 10% from the previous crop. Exportable production is estimated to be down about 14%. Because exportable production is significantly below expected world demand, coffee stocks in producing countries will be further reduced, particularly in Brazil.

U.S. green coffee prices in 1968 changed little from 1967. Prices for Robusta and Brazilian coffees declined slightly, while prices for Colombian coffee increased moderately.

Retail prices of regular coffee in cans changed little in 1968, while prices of coffee in bags declined slightly. But the retail price of instant coffee averaged slightly higher. Coffee prices at both wholesale and retail levels are not expected to change greatly in the first 6 months of 1969. For the second half of 1969, coffee prices will depend partly on 1969/70 crop prospects.

Coffee bean imports in 1968 rose 19% over 1967. Imports of Robusta type beans (mostly from Africa and Asia) and Unwashed Arabicas (mostly from Brazil and Ethiopia) increased by nearly 30%. The large increase in imports in 1968 greatly expanded green coffee inventories held by U.S. roasters, importers, and dealers. Robusta imports accounted for 27% of total imports in 1968, up considerably from earlier years. This is larger than the one-fifth of total annual roastings used in making instant coffee (green bean basis), indicating that substantial quantities of Robusta beans were used in roasted coffee.

Coffee roastings--both regular and instant--in 1968 likely approximated roastings in 1967. Per capita consumption of coffee in 1968 also remained around the 1967 level of 14.8 pounds, and little change is likely this year.

Some Impacts of Freeze-Dried Coffee

Will freeze-dried coffee alter the type or quality of beans use in manufacturing instant coffee? Will increasing use of freeze-dried coffee merely replace present powdered instants or will it replace part of the present roasted market? Finally, will increasing use of freeze-dried coffee increase total coffee consumption? These questions currently are at the center of a lively debate in the coffee trade.

Freeze-dried coffee is regularly brewed coffee which has been frozen and concentrated by removing the ice (water) through sublimation induced by a partial vacuum. Freeze-dried coffee is now available in most of the U.S. markets. It constitutes about 8% of the total instant soluble market. 6/ Some seers expect it to capture about half of the soluble market within 5 years.

Two major barriers are expected to limit the inroads of freeze-dried coffee in the instant coffee market--labor and time. For a given unit of coffee, it presently takes considerably more time to remove the water from freeze-dried coffee--many hours versus only 8 or 9 seconds for spray-dried coffee. Moreover, the present cost of a freeze-drying plant is much higher than the cost of a spray-drying plant of the same capacity--with more danger of early obsolescence for the freeze-drying plant. In addition, freeze-dried coffee requires higher quality, more expensive beans to get a good quality product. These factors together result in higher costs. Thus, freeze-dried coffees currently sell for about a third more per ounce than spray-dried coffees.

6/ World Tea and Coffee, Vol. 9, No. 7, November 1968, p. 30.

Some coffeemen believe that with the current price differential, freeze dried coffee will be fortunate to capture a fourth of the instant coffee market. They believe that much of the reputation for inferior quality of spray-dried coffee has resulted from use of lower quality beans and high extraction rates. Thus, they anticipate that spray-dried coffees will increase in quality as well as in price (reflecting better quality, higher priced beans) in competing with freeze-dried coffee. Also, they fear that freeze-dried coffee may deteriorate in quality from use of cheaper beans in an effort to lower its costs.

What of the longer-term future? Instant coffee has captured less than one-fifth of total coffee consumption. Freeze-dried coffee could capture part of the roasted coffee market, but thus far no one has predicted the amount. Increased total coffee consumption could come from two major sources. Improved flavor at reasonable prices would be expected to increase consumption. Secondly, freeze-dried coffee may find new uses, such as in vending machines or in iced coffee.

It is certainly too early to estimate the ultimate impact of freeze-dried coffee on the coffee market. However, freeze-dried coffee may already be having some influence in stemming the decline in coffee consumption.

FISHERY PRODUCTS SITUATION 7/

Civilian consumption of edible fishery products in 1968 totaled 2,189 million pounds (edible weight) according to preliminary estimates, up 4.5% from the previous year. Per capita consumption was an estimated 11.1 pounds--up 0.4 pound from 1967 and the highest level since the mid-1950's. Demand apparently increased for fishery products in 1968. At retail, prices averaged about 2% higher.

Per capita consumption of fresh and frozen fishery products rose to 6.2 pounds in 1968. Most of this increase was for fresh fillets and for frozen fish sticks and portions. Domestic production declined for such major products as haddock, halibut, ocean perch, tuna, king crab, and blue crab.

Consumption of canned fishery products averaged an estimated 4.4 pounds per capita, up slightly from 1967. Large increases were registered in the canned packs of salmon, Maine sardines, and California mackerel. Slight increases occurred for shrimp, oysters, and anchovies. Imports of canned products increased slightly also.

Consumption of cured fishery products remained at about the same level of previous years--one-half pound per capita.

Military purchases of fishery products declined about 15% in 1968 to 40 million pounds. Seafood was served to servicemen 57 times per year during 1967 and 1968. However, servicemen are scheduled to receive one additional serving in 1969.

Supplies of most frozen fishery products likely will be adequate in first-quarter 1969. Total stocks of frozen fish and shellfish plus cured fish on January 1, 1969, were 9% above the previous carryover and nearly 13% above the most recent 5-year average for the date.

Stocks of fish blocks, used in production of fish sticks and portions, were 37% above January 1, 1968. Frozen stocks of sticks and portions were up 71%. Stocks of fillets and steaks were

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7/ Prepared by the Bureau of Commercial Fisheries, U.S. Department of the Interior.

a little below a year ago and average. Stocks of frozen halibut are currently much below a year ago, while frozen salmon stocks are much higher.

Stocks of frozen shellfish were slightly below a year ago on January 1 due mainly to lower holdings of shrimp. Holdings of most other shellfish were heavier.

Demand for fishery products likely is continuing strong in first-quarter 1969, especially for shellfish. Most species of shellfish are selling at or near record prices. A drop in shellfish prices likely will not occur before late spring, when most fisheries show a seasonal increase in production.

Supplies of canned pink salmon are expected to be adequate during the first half of 1969. But, prices for 1-pound tall cans of red salmon are expected to be relatively high during the first 6 months of 1969.

First-quarter 1969 prices likely will average higher than in the previous year. Wholesale prices in the last quarter of 1968 were running 10% above the previous year. This indicates continued strength in retail prices at least during the first quarter of 1969.

SPECIAL ARTICLES APPEARING IN THE NATIONAL FOOD SITUATION
DURING 1967-68 1/

1968

Grocery Store Sales in 1967, NFS-126, November 1968
Nutritional Review, NFS-126, November 1968
U.S. Food Consumption: Annual Disappearance Versus Survey Data, NFS-126, November 1968
USDA Food Programs, NFS-125, August 1968
Consumer Prices in Foreign Countries, NFS-125, August 1968
Maple Sirup, NFS-125, August 1968
Military and Civilian Food Consumption, NFS-124, May 1968
Importance of Foreign Trade in Agricultural Commodities, NFS-124, May 1968
Food Manufacturing, NFS-123, February 1968
Comparative Living Costs, NFS-123, February 1968
Population and Food Consumption, NFS-123, February 1968

1967

Expenditures for Food Away From Home, NFS-122, November 1967
Nutritional Review, NFS-122, November 1967
Household Use of Food, 1955-65, NFS-122, November 1967
Grocery Store Sales in 1965-66, NFS-122, November 1967
Foreign Agricultural Trade, NFS-120, May 1967
Forecasting the Quarterly Retail Food Price Index, NFS-120, May 1967

1/ For 1962-66 see National Food Situation, NFS-119, February 1967

The next issue of the National Food Situation is scheduled to be available May 15, 1969.

The summary is scheduled to be released to the press immediately after the Outlook and Situation Board meeting May 8, 1969.

Table 13.--Wholesale Price Indexes, selected items, 1947-68
(1957-59=100)

Year and month	Farm products						Processed foods and feeds											
				Meats														
	Eggs	Fresh and dried fruits and vegetables 1/	Total 2/	Beef and veal	Pork	Total	Poultry	Fish	Dairy	Processed fruits and vegetables 1/	Vegetable oil end products	Cereal and bakery products	Sugar and confectionery	Beverages 3/	Total 4/	All food 5/	Industrial commodities 6/	All commodities
1947-49	133.6	94.3	109.2	97.1	112.6	100.9	174.3	80.5	88.6	93.0	123.5	84.8	87.2	75.3	93.9	94.4	79.0	84.2
1950	113.4	86.1	106.4	106.8	98.3	103.6	148.5	80.7	84.0	92.8	101.8	83.9	85.1	83.5	93.2	93.0	82.9	86.8
1951	144.2	91.7	123.8	128.4	103.8	120.2	163.5	86.3	95.4	98.1	120.0	90.6	92.2	89.0	103.5	104.1	91.5	96.7
1952	128.0	113.4	116.8	122.3	101.6	110.8	149.8	85.7	100.6	97.6	98.7	90.6	94.8	90.8	102.3	102.7	89.4	94.0
1953	141.2	94.6	105.9	89.6	111.8	93.0	144.6	85.2	97.9	97.3	103.3	92.8	95.3	92.4	97.6	98.5	90.1	92.7
1954	106.7	93.5	104.4	88.0	115.9	92.4	121.4	85.2	94.0	97.2	105.0	96.5	98.0	102.9	99.3	97.7	90.4	92.9
1955	114.6	98.1	97.9	85.7	94.0	83.5	128.0	84.9	94.0	98.1	100.6	98.5	96.3	99.1	95.0	95.3	92.4	93.2
1956	109.4	98.2	96.6	82.3	87.8	79.8	108.4	91.9	96.2	100.4	105.4	97.6	95.7	101.5	94.8	95.2	96.5	96.2
1957	103.2	97.7	99.2	87.9	102.5	91.9	101.5	96.2	98.9	96.6	106.3	99.1	98.9	101.6	97.6	98.1	99.2	99.0
1958	109.2	105.6	103.6	105.3	108.3	108.9	102.2	103.5	99.8	102.0	102.3	99.9	100.8	99.4	102.5	103.3	99.5	100.4
1959	87.6	96.8	97.2	106.8	89.2	99.2	96.3	100.3	101.3	101.4	91.4	101.1	100.4	99.0	99.9	98.5	101.3	100.6
1960	103.2	100.6	96.9	100.6	91.0	96.8	99.9	102.0	105.0	99.5	90.5	103.2	101.8	98.8	100.0	100.0	101.3	100.7
1961	99.0	93.7	96.0	97.0	93.9	95.1	85.8	107.9	107.5	101.7	102.7	105.1	101.2	98.6	101.6	100.0	100.8	100.3
1962	95.2	97.7	97.7	103.2	94.1	97.8	90.2	119.2	106.9	98.0	97.3	107.6	102.2	99.0	102.7	100.6	100.8	100.6
1963	94.0	96.1	95.7	95.7	88.3	91.5	88.6	112.0	107.5	103.9	88.2	107.3	118.4	100.9	103.3	100.4	100.7	100.3
1964	90.8	103.2	94.3	90.5	88.3	89.0	87.4	107.4	107.8	104.8	89.7	107.8	111.8	106.2	103.1	100.8	101.2	100.5
1965	93.5	101.8	98.4	95.6	108.2	100.8	90.9	112.8	108.5	102.1	101.2	109.0	109.0	105.7	106.7	104.5	102.5	102.5
1966	107.9	102.5	105.6	104.1	117.5	109.9	97.3	127.2	118.5	104.8	104.6	115.4	110.5	105.8	113.0	110.7	104.7	105.9
1967	84.3	101.6	99.7	105.8	105.1	105.5	86.0	125.2	122.0	107.2	102.0	117.1	113.0	106.5	111.7	108.6	106.3	106.1
1968 7/	93.9	108.2	102.2	110.2	103.5	107.7	91.0	135.2	127.6	114.1	100.2	118.2	115.8	109.6	114.1	112.2	109.0	108.7
January	73.8	108.1	99.0	107.4	103.5	105.1	87.0	134.0	123.8	113.7	100.2	117.1	113.4	107.9	112.4	109.5	107.8	107.2
February	80.0	112.5	101.3	109.6	104.0	106.7	93.2	133.4	124.0	113.8	100.2	117.4	113.7	108.6	113.3	111.1	108.3	108.0
March	80.9	114.5	102.1	110.1	102.8	106.8	89.7	130.1	123.3	114.4	100.2	117.4	113.7	108.9	112.9	111.0	108.6	108.2
April	82.7	112.0	102.1	109.7	96.6	105.0	89.3	133.3	125.9	114.6	100.2	117.3	114.0	109.5	112.8	110.8	108.8	108.3
May	72.6	123.6	103.6	110.5	98.5	106.2	91.8	132.8	128.9	114.6	100.2	117.1	114.2	109.4	113.6	112.2	108.6	108.5
June	88.3	106.4	102.5	110.5	108.6	109.4	93.6	132.6	128.7	114.8	100.2	117.0	116.0	109.4	114.6	112.3	108.8	108.7
July	91.4	108.2	103.9	112.5	115.9	113.2	97.9	134.8	128.8	114.7	100.2	118.4	116.4	109.5	115.9	113.9	108.8	109.1
August	98.4	97.4	101.4	112.3	103.6	109.3	92.9	134.6	128.8	113.6	100.6	119.3	116.2	109.8	114.9	112.2	108.9	108.7
September	126.7	97.6	102.8	111.6	109.1	110.8	93.7	136.5	129.1	113.6	100.6	119.0	117.6	110.0	115.3	113.9	109.2	109.1
October	106.5	99.8	101.2	108.4	99.5	106.3	86.7	139.8	130.1	114.0	98.8	119.4	118.2	110.5	114.4	112.3	109.7	109.1
November	107.6	109.4	103.1	109.5	100.2	106.7	89.2	141.0	130.0	114.1	99.9	119.3	117.9	110.6	114.7	113.5	109.9	109.6
December	117.8	109.3	103.3	110.1	99.2	106.7	87.2	139.9	130.4	113.3	100.5	119.3	118.8	110.6	114.7	113.8	110.3	109.8
	Seasonally adjusted																	
1967																		
January	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
February	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---	---
March	87.8	95.4	99.2	---	---	---	---	---	---	121.1	104.0	100.2	117.7	113.0	105.9	111.0	---	---
April	86.4	92.0	97.3	---	---	---	---	---	---	120.8	103.9	101.1	117.1	111.4	106.1	110.8	---	---
May	89.3	98.4	101.5	---	---	---	---	---	---	122.4	105.0	101.9	117.8	112.3	106.1	111.6	---	---
June	87.4	110.4	103.9	---	---	---	---	---	---	123.4	106.2	102.5	117.4	113.5	106.2	113.1	---	---
July	92.6	104.5	101.9	---	---	---	---	---	---	122.5	106.8	102.1	116.3	114.5	106.3	112.4	---	---
August	78.2	101.5	98.8	---	---	---	---	---	---	122.2	109.0	102.6	117.0	114.1	106.3	112.2	---	---
September	81.7	96.3	97.6	---	---	---	---	---	---	122.0	109.0	103.6	116.8	114.1	106.7	112.4	---	---
October	70.6	97.0	97.7	---	---	---	---	---	---	122.3	109.1	102.5	116.8	113.8	107.4	111.3	---	---
November	71.8	103.7	96.8	---	---	---	---	---	---	121.9	111.4	101.2	116.7	113.9	107.5	111.1	---	---
December	85.2	110.2	100.0	---	---	---	---	---	---	122.9	112.7	100.4	116.9	112.5	107.7	111.5	---	---
1968																		
January	74.8	111.1	98.7	---	---	---	---	---	---	123.3	112.9	98.6	117.1	112.1	107.9	111.7	---	---
February	83.1	113.3	101.1	---	---	---	---	---	---	124.0	113.8	99.0	117.5	112.4	108.6	113.2	---	---
March	79.4	113.0	102.2	---	---	---	---	---	---	123.8	114.4	99.3	117.6	113.7	109.1	113.6	---	---
April	73.3	104.4	101.8	---	---	---	---	---	---	126.8	114.6	100.0	117.5	114.3	109.6	113.9	---	---
May	85.7	117.3	103.9	---	---	---	---	---	---	130.3	114.6	106.0	117.3	114.8	109.5	114.7	---	---
June	100.1	100.8	102.9	---	---	---	---	---	---	129.9	114.3	101.2	117.1	116.8	109.3	114.4	---	---
July	97.8	103.5	102.4	---	---	---	---	---	---	128.9	114.7	101.1	118.0	117.0	109.4	115.1	---	---
August	94.1	102.5	100.8	---	---	---	---	---	---	128.8	115.7	102.0	119.4	116.4	109.6	114.7	---	---
September	109.8	103.0	102.2	---	---	---	---	---	---	128.1	114.7	101.5	119.2	117.8	110.1	114.2	---	---
October	99.7	107.2	102.1	---	---	---	---	---	---	129.2	113.8	99.0	119.3	118.0	110.5	114.2	---	---
November	96.8	110.5	104.5	---	---	---	---	---	---	129.1	113.0	99.5	118.8	117.9	110.7	115.2	---	---
December	107.6	113.1	103.7	---	---	---	---	---	---	129.2	112.5	100.5	119.1	118.7	110.5	114.7	---	---

1/ Includes potatoes. 2/ In addition to items listed separately, includes grains, livestock, live poultry, plant and animal fibers, milk, hay, hayseeds, oilseeds, and other farm products such as coffee beans, cocoa beans and tobacco. 3/ Includes alcoholic beverages. 4/ Includes animal fats and oils, crude and refined vegetable oils, manufactured animal feed, and miscellaneous processed foods in addition to items listed separately. 5/ All food includes all processed foods (omitting soft drinks, alcoholic beverages and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from the farm products group. 6/ Prior to 1967, includes manufactured animal feeds, soft drinks and alcoholic beverages. 7/ 1968 annual averages for commodity groups computed by ERS.

Bureau of Labor Statistics.

Table 14.--Retail food price indexes and Consumer Price Index, selected periods
(1957-59=100)

Year and month	Food at home																	Consumer Price Index
	Meats			Poultry 2/	Fish	Eggs	Dairy products 3/	Fats and oils 4/	Fruits and vegetables			Cereal and bakery products	Sugar and sweets	Beverages	Total	Food away from home	All food	
	Beef and veal	Pork	Total 1/						Fresh	Processed	Total							
1935-39	36.5	43.2	37.8	68.7	28.9	60.3	45.9	65.4	37.3	50.2	39.6	45.6	48.3	27.5	42.6	5/	41.9	48.7
1947-49	86.8	92.8	86.7	132.5	86.4	122.7	88.3	117.9	78.4	88.6	80.9	75.5	85.4	56.1	86.1	5/	84.7	81.5
1950	97.0	87.8	91.4	126.1	89.0	104.7	84.7	94.2	76.6	81.7	79.0	78.8	86.9	85.9	87.1	5/	85.8	83.8
1951	113.3	93.1	103.6	132.1	101.6	127.4	94.5	110.3	83.1	92.4	86.3	86.0	90.1	94.7	96.9	5/	95.4	90.5
1952	112.4	92.1	102.6	132.6	99.0	116.3	98.5	93.5	96.6	91.0	94.8	88.1	90.9	95.3	98.6	5/	97.1	92.5
1953	88.6	102.5	95.8	129.3	95.3	123.2	96.8	93.9	91.1	93.2	91.8	89.8	91.9	97.9	96.8	89.3	95.6	93.2
1954	85.3	105.7	95.3	116.7	95.8	103.1	93.7	98.9	89.3	92.6	90.5	91.9	93.8	116.3	96.3	90.9	95.4	93.6
1955	84.4	91.0	87.7	121.5	93.9	106.5	93.6	95.9	91.0	93.4	91.8	93.4	95.8	104.2	94.4	91.8	94.0	93.3
1956	83.1	86.4	84.8	106.5	93.8	105.9	96.0	98.0	96.3	96.3	96.3	94.7	93.6	108.9	94.8	93.6	94.7	94.7
1957	89.2	99.5	94.2	103.8	95.0	100.9	98.8	102.4	97.0	94.2	96.0	98.4	96.3	108.1	97.9	97.1	97.8	98.0
1958	103.8	106.1	104.9	102.6	101.6	106.1	100.3	101.2	104.0	100.8	102.8	100.4	100.7	100.5	102.2	100.0	101.9	100.7
1959	106.9	94.4	101.0	93.5	103.4	92.9	101.0	96.5	99.1	105.0	101.2	101.2	102.9	91.3	99.7	102.8	100.3	101.5
1960	104.2	93.8	99.2	95.0	103.5	100.1	103.2	92.1	105.2	101.4	103.8	103.2	103.4	90.7	100.6	105.5	101.4	103.1
1961	102.5	98.2	100.5	85.8	105.8	100.1	104.8	98.6	103.5	105.6	104 2	105.4	101.4	90.7	101.5	107.8	102.6	104.2
1962	106.2	99.1	102.5	90.7	110.2	94.6	104.1	98.5	106.3	102.6	105.0	107.6	101.4	89.3	102.2	110.7	103.6	105.4
1963	105.0	96.6	100.9	89.3	110.0	96.0	103.8	95.7	112.6	108.3	111.0	109.1	110.1	90.4	103.5	113.2	105.1	106.7
1964	101.9	96.1	99.4	87.3	107.4	95.0	104.7	95.4	119.2	110.8	115.3	109.6	115.5	101.4	104.7	115.2	106.4	108.1
1965	106.8	109.4	106.9	90.0	110.6	92.8	105.0	102.3	121.7	107.3	115.2	111.2	113.5	100.6	107.2	117.8	108.8	109.9
1966	112.4	125.1	116.8	94.9	117.8	105.7	111.8	106.2	123.9	109.9	117.6	115.8	111 3	100.0	112.6	123.2	114.2	113.1
1967	113.1	114.8	113.8	88.9	121.8	88.4	116.7	106.5	124.3	109.2	117.5	118.5	114.7	99.1	112.3	129.6	115.2	116.3
1968	117.7	115.0	116.4	91.7	123.8	95.3	120.6	104.4	136.0	115.3	126.8	119.0	118.6	101.0	115.9	136.3	119.3	121.2
January	115.9	112.0	114.4	88.3	122.7	85.2	118.5	105.3	132.1	114.4	124.1	118.3	116.0	99.4	113.8	132.9	117.0	118.6
February	116.3	113.1	114.9	88.0	122.9	89.2	118.5	105.0	133.1	114.8	124.9	118.2	116.0	99.8	114.2	133.3	117.4	119.0
March	116.3	114.5	115.3	94.4	121.4	86.1	118.7	104.6	135.4	114.6	126.1	118.1	116.2	99.9	114.7	133.7	117.9	119.5
April	116.0	113.6	115.0	92.7	122.2	89.7	118.8	104.5	138.9	115.1	128.3	118.3	116.4	100.5	115.1	134.4	118.3	119.9
May	117.1	114.0	115.7	91.0	122.9	81.9	120.2	104.5	142.7	115.6	130.7	118.4	116.7	101.1	115.6	135.1	118.8	120.3
June	117.3	113.9	115.8	91.5	123.6	83.9	120.9	104.7	141.7	115.4	130.0	118.6	117.6	101.3	115.8	135.7	119.1	120.9
July	117.7	116.3	116.6	91.6	124.1	88.9	121.0	104.5	145.7	115.3	132.2	119.2	118.3	101.1	116.7	136.5	120.0	121.5
August	118.8	117.8	117.9	93.6	124.3	99.1	121.5	104.0	138.3	115.7	128.2	119.6	120.5	101.7	117.1	137.2	120.5	121.9
September	119.1	117.4	118.0	94.5	124.8	109.4	121.6	103.7	128.6	116.1	122.9	119.8	120.7	101.6	116.8	138.0	120.4	122.2
October	119.2	117.6	118.2	92.4	125.2	115.9	122.3	103.9	129.8	115.7	123.4	119.8	121.3	101.7	117.2	138.9	120.9	122.9
November	119.5	114.5	117.4	91.1	125.5	102.6	122.6	104.2	130.6	115.6	123.8	120.1	121.4	102.1	116.6	139.4	120.5	123.4
December	118.7	114.9	117.1	90.8	126.3	112.2	122.6	104.2	135.2	115.7	126.4	120.1	122.0	102.3	117.4	139.9	121.2	123.7
	Seasonally adjusted																	
1967																		
January	110.6	115.1	112.7	86.9	122.6	103.4	115.8	---	126.4	---	118.5	---	---	---	112.5	---	114.9	---
February	111.5	114.3	112.8	88.5	121.4	88.8	115.9	---	120.0	---	114.4	---	---	---	111.4	---	114.0	---
March	111.4	113.8	112.8	88.1	122.7	93.3	115.6	---	120.9	---	114.7	---	---	---	111.6	---	114.3	---
April	111.1	113.7	112.1	88.4	122.7	88.5	116.3	---	116.6	---	112.1	---	---	---	110.9	---	113.9	---
May	111.0	113.8	112.3	90.6	122.3	90.1	116.6	---	119.5	---	113.5	---	---	---	111.5	---	114.5	---
June	114.9	120.6	116.6	85.6	121.1	89.6	117.4	---	121.6	---	115.1	---	---	---	112.6	---	115.3	---
July	114.3	117.4	115.2	88.4	121.3	86.4	117.0	---	123.2	---	116.0	---	---	---	112.0	---	115.0	---
August	114.2	115.8	115.0	89.4	121.6	95.2	116.6	---	130.1	---	120.6	---	---	---	112.9	---	115.8	---
September	113.8	113.2	113.6	90.2	121.4	83.2	117.1	---	127.1	---	119.7	---	---	---	112.5	---	115.6	---
October	114.1	113.5	113.9	87.8	121.5	82.4	117.3	---	127.9	---	120.5	---	---	---	112.7	---	115.8	---
November	115.0	113.2	114.2	87.8	121.3	79.6	117.0	---	127.7	---	121.1	---	---	---	112.9	---	116.1	---
December	115.4	112.8	114.4	89.0	122.1	82.1	117.4	---	131.2	---	122.9	---	---	---	112.7	---	116.4	---
1968																		
January	116.2	112.4	114.6	91.1	122.3	81.9	117.9	---	137.7	---	127.0	---	---	---	114.1	---	117.2	---
February	116.2	113.9	114.9	87.2	122.7	86.9	118.4	---	135.1	---	125.8	---	---	---	114.3	---	117.4	---
March	116.5	116.5	116.1	95.2	121.2	87.6	118.8	---	135.0	---	125.8	---	---	---	114.9	---	118.1	---
April	117.3	117.8	116.6	93.3	121.8	92.8	119.4	---	136.3	---	126.9	---	---	---	115.6	---	118.7	---
May	118.4	119.1	117.9	93.7	122.7	88.7	120.9	---	139.1	---	128.9	---	---	---	116.3	---	119.4	---
June	118.4	115.2	117.3	93.2	123.8	94.9	121.9	---	133.2	---	125.5	---	---	---	115.9	---	119.2	---
July	117.9	113.9	116.1	90.4	124.3	96.9	121.5	---	129.9	---	123.4	---	---	---	115.5	---	119.0	---
August	118.7	112.9	116.3	93.6	124.4	101.7	121.6	---	133.6	---	125.6	---	---	---	115.8	---	119.7	---
September	117.2	112.2	115.5	94.0	125.1	102.1	121.4	---	135.4	---	127.0	---	---	---	116.3	---	120.0	---
October	117.8	114.5	116.5	94.2	125.7	106.6	121.7	---	138.4	---	128.4	---	---	---	117.2	---	120.9	---
November	119.1	114.3	117.0	93.6	125.9	98.7	121.9	---	138.1	---	128.0	---	---	---	117.2	---	121.0	---
December	118.5	116.8	117.7	93.5	126.3	104.0	121.9	---	141.3	---	129.4	---	---	---	117.8	---	121.4	---

1/ Beef, veal, lamb and mutton, pork, and processed meat. 2/ Unadjusted index includes turkey beginning 1964; seasonally adjusted indexes are for frying chicken only. 3/ Includes butter. 4/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI. 5/ Data not collected prior to 1953.

Bureau of Labor Statistics.

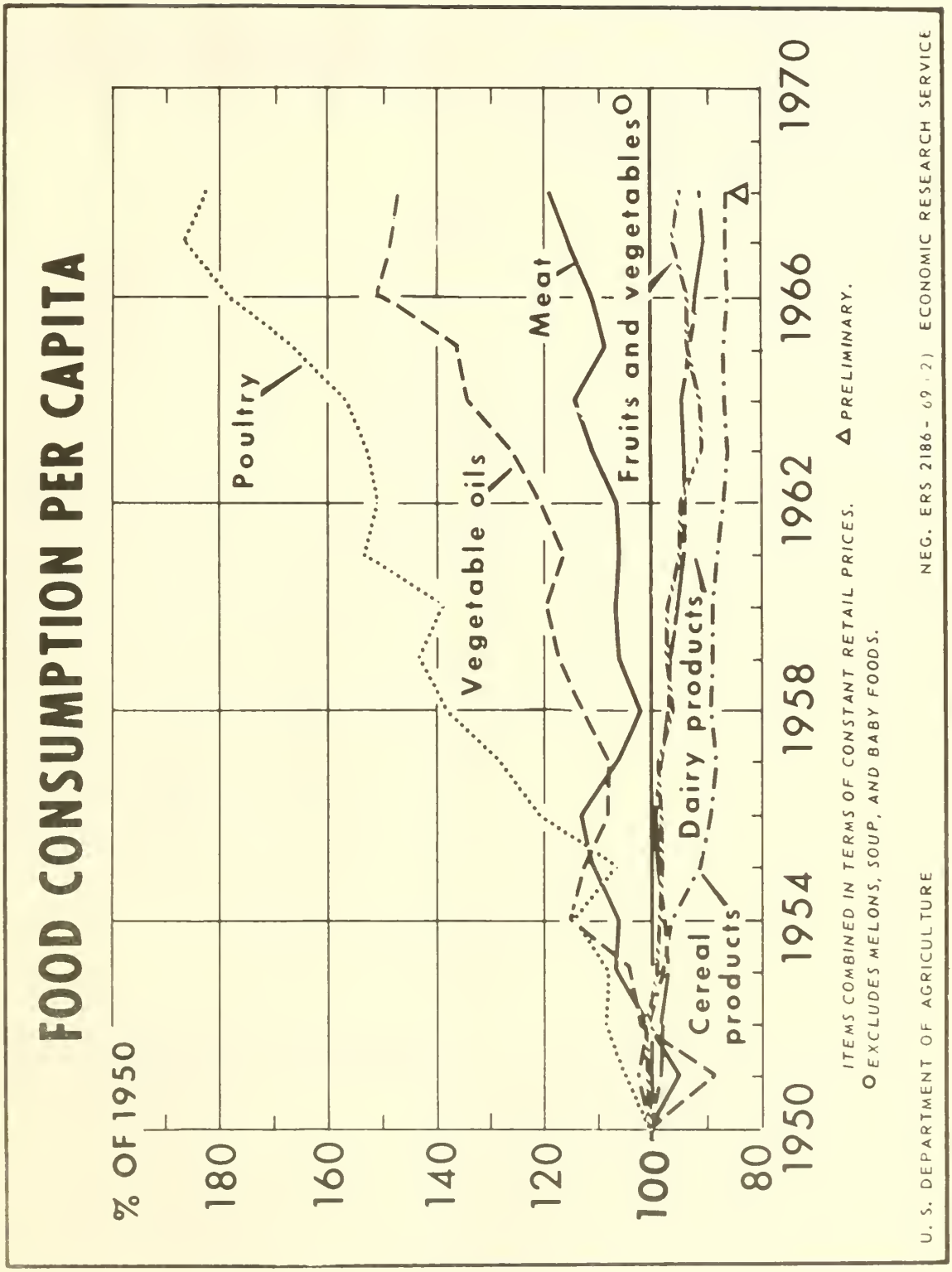
FOOD CONSUMPTION PER CAPITA
% OF 1950
180
160
140
120
100
80
1950
1954
1958
1962
1966
1970
Poultry
Vegetable oils
Meat
Fruits and vegetables O
Dairy products
Cereal products
Δ
ITEMS COMBINED IN TERMS OF CONSTANT RETAIL PRICES.
O EXCLUDES MELONS, SOUP, AND BABY FOODS.
Δ PRELIMINARY.
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Figure 15

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NFS-127 - The National Food Situation

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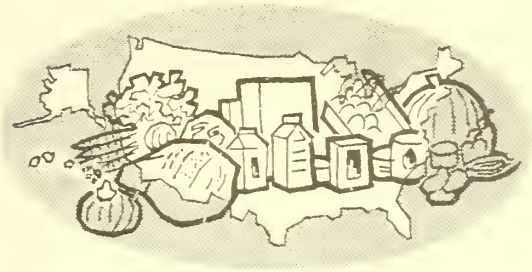
NATIONAL FOOD SITUATION

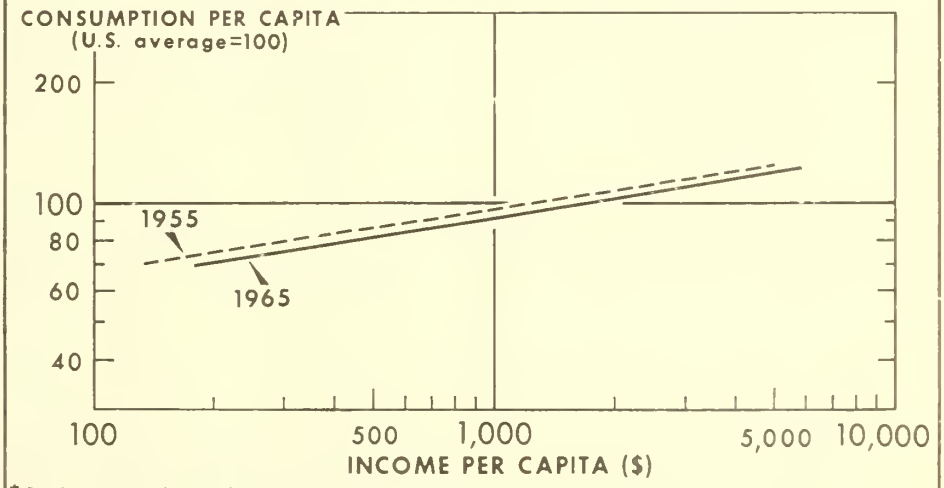


NFS-128 MAY 1969

A 1-1/2-percent increase in quantity of food consumed at home per capita was associated with a 10-percent increase in per capita income, both in 1955 and 1965, according to household survey data by income classification. At given levels of income, adjusted to constant dollars, consumption was slightly lower in spring 1965 than a decade earlier.

U.S. per capita income rose 24 percent between 1955 and 1965, in constant dollars, and U.S. average consumption was the same, according to the annual Per Capita Food Consumption Index.

FOOD CONSUMPTION RELATED TO INCOME, ALL FOOD*



* PER CAPITA FOOD CONSUMPTION INDEXES FIT AS A FUNCTION OF PER CAPITA MONEY INCOME AFTER TAXES. DATA FROM 10 INCOME GROUPS FOR SPRING 1955 AND 7 GROUPS FOR SPRING 1965 – FROM THE FOOD CONSUMPTION SURVEYS – WERE FIT IN DOUBLE LOG FORM.

U. S. DEPARTMENT OF AGRICULTURE NEG. ERS 6521-69 (5) ECONOMIC RESEARCH SERVICE

IN THIS ISSUE

A CROSS-SECTIONAL VIEW OF

U.S. FOOD CONSUMPTION

Published quarterly by
ECONOMIC RESEARCH SERVICE ● **U.S. DEPARTMENT OF AGRICULTURE**

Table 1.--Consumer, wholesale, and farm price indexes, 1968-69

(1957-59=100)

Item	1968					1969 I	
	I	II	III	IV	Year	Index	Percentage change from 1967 I
Retail prices: 1/							
All goods and services (CPI)	119.0	120.4	121.9	123.3	121.2	124.8	4.9
All items less food	119.7	121.1	122.6	124.3	121.9	125.8	5.1
All food	117.4	118.7	120.3	120.9	119.3	122.1	4.0
Food at home	114.2	115.5	116.9	117.1	115.9	118.3	3.6
Food away from home	133.3	135.1	137.2	139.4	136.3	140.8	5.6
Wholesale prices: 1/							
All commodities	107.8	108.5	109.0	109.5	108.7	111.2	3.2
Industrial commodities	108.2	108.7	109.0	110.0	109.0	111.4	3.0
Farm products	100.8	102.7	102.7	102.5	102.2	105.5	4.7
Processed food	111.8	112.9	114.8	113.9	113.3	115.8	3.6
All food 2/	110.5	111.8	113.3	113.2	112.2	115.3	4.3
Prices received by farmers: 3/							
Crops	104	104	101	101	102	101	-3
Livestock and products	108	110	114	114	112	117	8
Average	106	107	109	108	108	110	4
Market basket of U.S. farm foods: 4/							
Retail cost	112.0	113.3	114.8	114.8	113.7	115.8	3.4
Farm-retail spread	113.6	113.8	115.1	116.9	114.9	115.2	1.4
Farm value	109.6	112.6	114.4	111.6	112.0	116.8	6.6

1/ Department of Labor, Bureau of Labor Statistics.

2/ All food includes all processed foods plus eggs and fresh and dried fruits and vegetables from the farm products group.

3/ Statistical Reporting Service.

4/ Economic Research Service.

NATIONAL FOOD SITUATION

Approved by the Outlook and Situation Board, May 8, 1969

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SUMMARY 1/

Supplies of food per person are about the same as last year, but strong consumer demand and inflationary pressures are holding average retail food prices above 1968 levels. In the first quarter, prices averaged 1 percent above the last quarter of 1968 and 4 percent above a year earlier.

Subsequent price increases over 1968 are likely to be smaller this year due to an expected slower demand expansion that will mainly reflect reduced growth in consumers' after-tax incomes. For the year, retail food prices are expected to show a somewhat smaller increase than the 3½ percent advance in 1968. Prices at the grocery store may run about 2½ percent higher; those at restaurants 4 to 5 percent higher. These rates compare with last year's gains of 3 and 5 percent respectively.

Compared with a year earlier, 1969 retail food prices likely will average:

---higher for meat, fish, eggs, dairy products, cereal and bakery products, cocoa and chocolate, and soft drinks;

---about the same for potatoes, fats and oils, and sugar;

---lower for poultry, fruits, and vegetables.

Food expenditures in first-quarter 1969 moved up at a fast pace to an annual rate of $105.5 billion, as sales by retail food stores resumed climbing. But, sales by eating and drinking places dawdled around those prevailing since the summer of 1968, despite higher prices.

For the year, food expenditures likely will total around $107 billion, an increase of some 6 percent from a year earlier. This progress is about the same as that expected for disposable personal income. Thus, the percentage of income spent for food probably will hold around 1968's 17.2 percent.

Total utilization of farm food commodities in 1968 exceeded a year earlier by more than 2 percent. A sizable 1-percent rise in per capita food consumption coupled with similar growth in population accounted for most of the gain. Utilization is expected to push up again this year, but more nearly in line with population growth. Little increase in overall per capita food consumption is now expected.

Compared with a year earlier, per capita food consumption in 1969 likely will average:

---higher for beef, pork, poultry, both fresh and processed fruit, frozen vegetables, and sweetpotatoes;

---about the same for fish, fats and oils, fresh and canned vegetables, potatoes, flour and cereal products, coffee, and sugar;

---lower for eggs, veal, lamb, most dairy products, and chocolate products.

1/ A copy of the Summary plus a summary table were released on May 8, 1969.

This report includes food consumption data refined from the 1955 and 1965 nationwide food consumption surveys. Per capita cross-section indexes show how food consumption differs over the country by region, degree of urbanization, and income level. The pattern of consumption in 1965 differed from that of a decade earlier--less variation existed among regions and urbanizations than formerly. But association with income was about the same. As before, a 1½-percent increase in total food consumption accompanied a 10-percent increase in income, when comparing consumption by persons in households at different income levels.

The next issue of the National Food Situation is scheduled to be available August 12, 1969.

The summary is scheduled to be released to the press immediately after the Outlook and Situation Board meeting August 6, 1969.

FOOD PRICES

Retail Prices Up in First Quarter

Retail food prices advanced again in first-quarter 1969 (figure 1 and table 1 inside cover). Increases of 1 percent from the previous quarter and 4 percent from a year earlier were due largely to demand increases and inflationary advances in the general price level. That is, prices were higher than would typically be expected on the basis of changes in incomes and food supplies alone--per capita supplies were little changed from a year earlier.

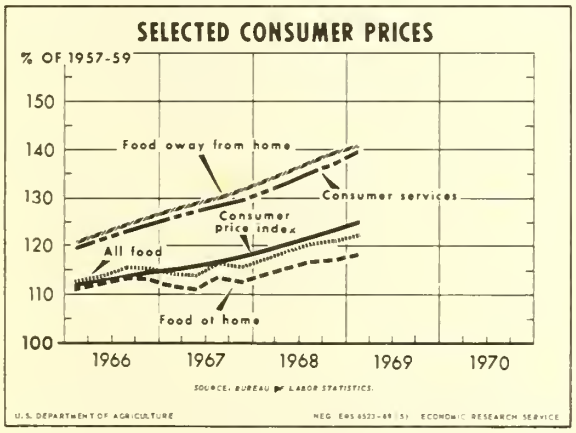

Figure 1

Prices for both food at home and food away from home contributed to the increase. When compared with the year-earlier period, prices for food away from home were up more than food at home--5½ percent versus 3½ percent. But prices for food away from home in recent months have increased no faster than food purchased in grocery stores; each rose 1 percent over the previous quarter.

Although retail food prices have increased significantly, price gains for food have not quite matched those for all other consumer items. The Consumer Price Index averaged 5 percent above a year earlier during first-quarter 1969. Data for March showed a 0.8 percent surge over the previous month for the largest monthly rise since 1951. All items other than food jumped 1.0 percent compared with 0.4 percent for food (table 19, p. 51).

Price increases for food at retail in the first quarter reflected higher prices received by farmers for food commodities. The farm value of foods originating on U.S. farms jumped 4½ percent from fourth-quarter 1968 to first-quarter 1969 (fig. 2 and table 1). At this level, the farm value was 7 percent above a year earlier. The farm-retail margin continued 2 percent above a year earlier in first-quarter 1969, but it narrowed from the previous quarter as farm product prices surged ahead.

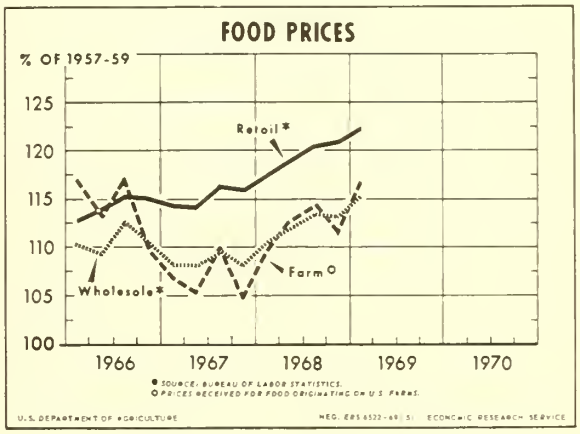

Figure 2

Outlook for Retail Prices

Prices for food are expected to remain strong as long as prices for most other consumer items continue rising at a fast pace. If consumer price increases slow down later this year--as now expected--food price increases should also ease. Per capita food supplies are expected to be as large as--or perhaps a bit larger than--the record high 1968 level.

At present, we expect average retail food prices to rise only slowly from the first-quarter level, except for

seasonal variations. For the year, this would mean an average of nearly 3 percent over a year earlier, compared with an increase of 3½ percent in 1968. Prices for food in grocery stores in 1969 probably will average somewhere around 2½ percent higher and prices in restaurants 4 to 5 percent higher than a year earlier.

The expected slowdown in price gains for food away from home is related to the leveling observed in sales of these establishments. Costs of food service establishments likely will continue rising relatively rapidly--they are heavily influenced by rising wage rates and recently they were affected by another increase in minimum wages. But, with sales not growing, some cost increases may be absorbed.

Wholesale Prices to Stabilize

Wholesale prices for food products in first-quarter 1969 averaged 4 percent above a year earlier (fig. 3 and table 1). Eggs were up a whopping 46 percent from the low prices of last year, and fish prices were up a tenth (table 18, p. 50). Other significant increases took place at wholesale for dairy products, poultry, sugar and confectionery, and beef and veal.

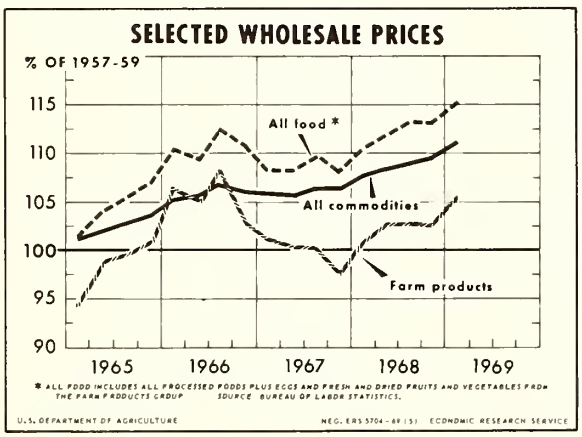

Figure 3

Little further change in wholesale prices of processed foods is likely during the balance of the year. Some decline in wholesale prices for farm products occurred in April, according to preliminary data, and more may take place by the end of 1969. However, any such decline likely will not percolate through to the retail level. Wholesale and retail margins likely will widen to cover increased costs and recoup the drop in first-quarter 1969. Such increases likely will offset any small decline in wholesale farm product prices.

Animal Product Prices Particularly Strong

Retail prices for animal products in first-quarter 1969 averaged 5½ percent above a year earlier. This strong price situation accompanied little change in per capita consumption of these products. Prices for eggs were up sharply as a result of a cutback in production. But even so, egg prices were up only 15 percent from the 1957-59 average, in comparison with an 18-percent increase for all food at home. Retail prices for dairy products, fish, and beef and veal also rose significantly in the first quarter in response to higher wholesale prices.

Prices for several animal products are expected to continue well above a year earlier throughout 1969, aside from seasonal fluctuations (fig. 4). Prices for poultry and eggs may be exceptions. Rising production of these foods is expected to trim prices from current levels. Egg prices will still average higher for the year, but poultry prices probably will average lower. Pork prices likely will average slightly above year-earlier levels throughout 1969 despite prospective increases in output.

Crop Product Prices Up Only Slightly

Retail prices for crop food products in first-quarter 1969 averaged 2 percent above a year earlier. Prices for fresh fruits and vegetables and for fats and oils were about the same. But prices were much higher for potatoes and chocolate products and slightly higher for most other crop food products.

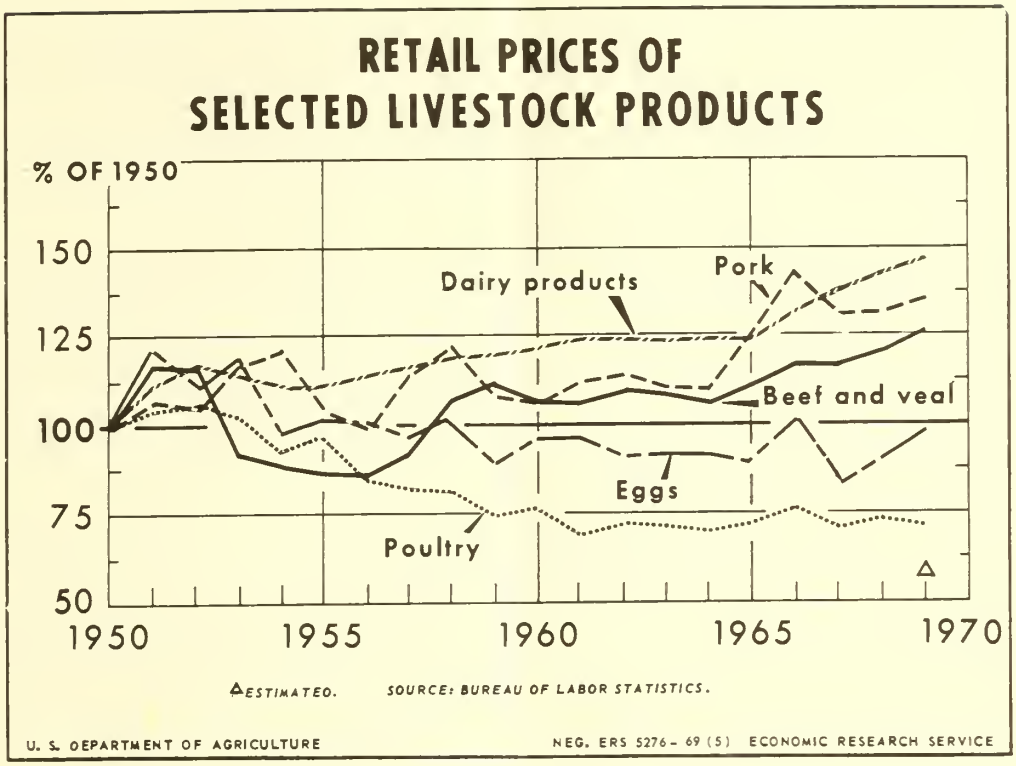

Figure 4

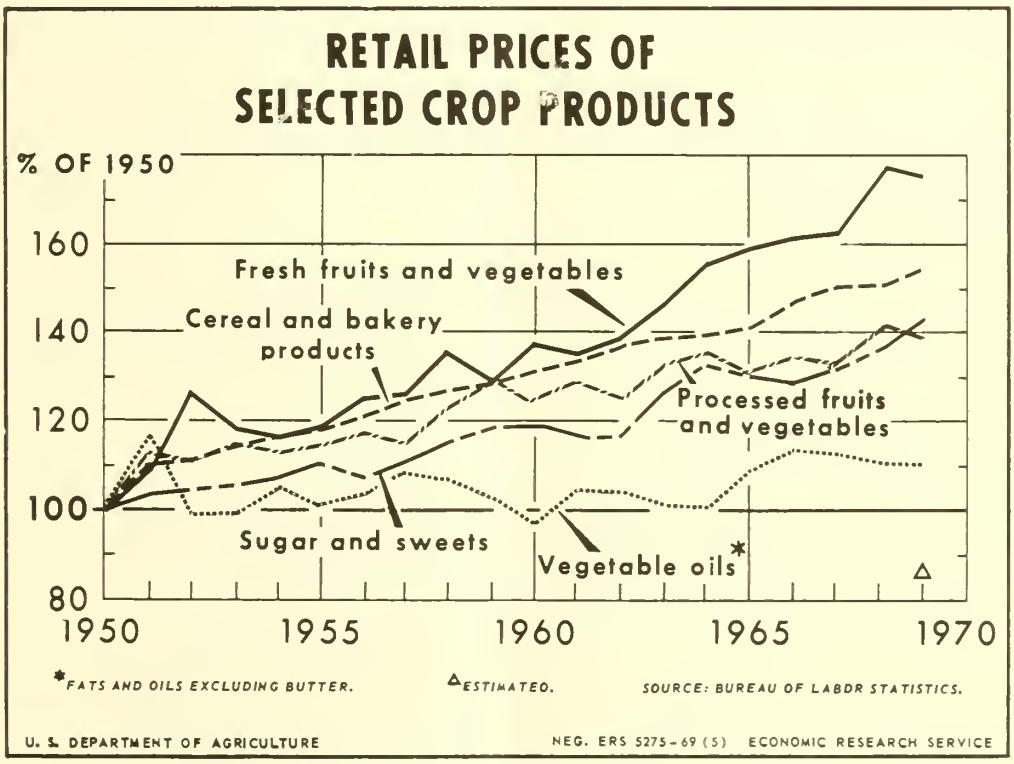

Figure 5

Retail prices for fruits and vegetables may average slightly below year-earlier levels in coming months (fig. 5). The carryover of most processed fruits and vegetables is unusually large going into the heavy production period.

Prices for cereal and bakery products in first-quarter 1969 averaged 2 percent above a year earlier. Prices for these products--which are heavily influenced by costs of processing--likely will continue above a year earlier throughout 1969.

Sharply higher wholesale prices for cocoa beans have resulted in higher prices for confectionery so far this year. These prices--which reflect a continued world slowdown in production--likely will be relatively high throughout 1969. Prices for soft drinks, perennial leaders among foods bearing higher prices, likely will continue to rise.

Prices for regular coffee in first-quarter 1969 averaged about the same as a year earlier. Prices likely will continue relatively stable throughout the year. However, prices for instant coffee--3 percent above a year earlier during the first quarter--probably will continue rising slowly.

FOOD SPENDING AND INCOME

Food Expenditure Gains Expected to Slow

Food expenditures in the first quarter totaled $105.5 billion, seasonally adjusted annual rate, according to preliminary estimates. This level was up more than 2 percent from the previous quarter and a hefty 7 percent above a year earlier. Both the quarter-to-quarter and year-to-year increases in food expenditures were slightly greater than the gains in disposable personal income. Consequently, the percentage of income spent for food edged upward during the quarter to 17.3 percent.

The first quarter's exceptionally strong increase in food expenditures is not expected to continue throughout the year. A slackening in the increase may already be underway. For the year, food expenditures likely will total around $107 billion, an increase of some 6 percent over 1968. Such an increase would about match the expected gain in disposable incomes of around 6 percent. These increases would leave the percentage of income spent for food near the 1968 level of 17.2 percent.

Most of the increase in food expenditures in the first quarter was due to spending for food use at home, which increased 8 percent over a year earlier. Spending for food away from home was up only 3 percent.

Retail Sales Have Been Strong

Sales by retail food stores advanced strongly, in the first quarter following near stability in each of the 2 previous quarters (fig. 6). The gain for food stores contributed to an upturn in total sales of all retail stores, following a small dropoff in fourth-quarter 1968 (fig. 7).

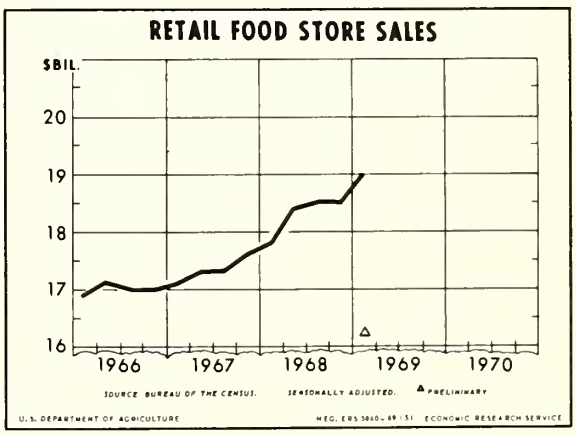

Figure 6

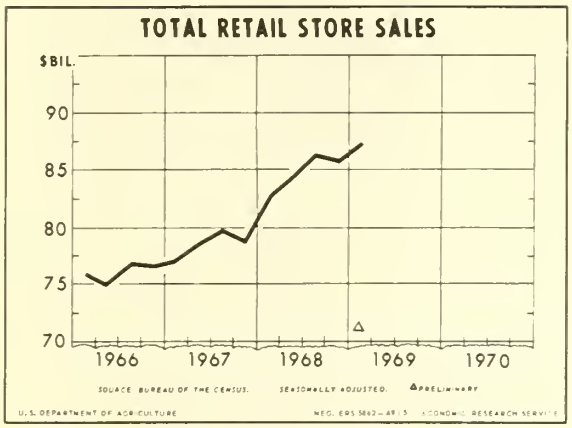

Figure 7

However, sales by eating and drinking places in the first quarter remained on a plateau with sales in the second, third, and fourth quarters of 1968 (fig. 8). Weekly sales so far this year show food-store sales up 7 percent from a year earlier, total retail store sales up 6 percent, but eating-and-drinking-place sales up only 2 percent.

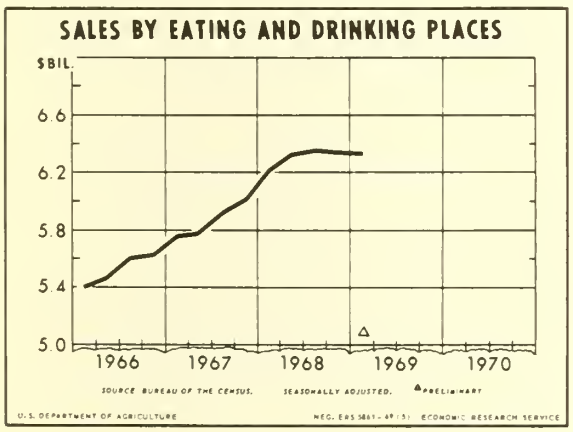

Figure 8

This leveling of sales by eating and drinking places has taken place even though prices in restaurants have continued to rise--albeit at a reduced rate. The data suggest there has been either a downturn since last summer in volume of meals and other food eaten away from home, or a dramatic shift toward purchasing meals away from home at establishments offering less service at lower prices--or a combination of both. Apparently, consumers are reacting to the relatively high rates of price increases for food away from home.

Sales of alcoholic beverages in first-quarter 1969 totaled an estimated $16 billion seasonally adjusted annual rate. In other words, almost $1 was spent for alcoholic beverages for every $6 spent for food. Total spending for food and alcoholic beverages amounted to $121 billion, at an annual rate.

Demand May Taper Off

Disposable personal income in first-quarter 1969 totaled $609 billion, seasonally adjusted annual rate, an increase of 6 percent from a year earlier. It amounted to $3,006 per capita. The increase from the previous quarter was moderated by a rise in social security and tax payments. But personal consumption expenditure gains were maintained by a diminished rate of savings. Expenditures likely will continue to rise throughout the year but a slowdown in the rate of gain is likely. Expenditures are not likely to rise much farther at the expense of savings, so any further tempering of income gains likely would affect spending.

Monetary and fiscal actions taken so far this year may induce a slowing in income and spending gains as the year unfolds. Although food spending would not be as adversely affected by a slackening in total consumer spending as would spending for other consumer items, smaller rates of increase would be expected than have occurred during the past year.

FOOD SUPPLY AND UTILIZATION

Total utilization of farm food commodities in 1968 exceeded a year earlier by about 2½ percent (table 2). A rise in civilian food use accounted for most of the increase. But some increases also occurred in feed and other nonfood

Table 2.--Livestock, crop, and total farm food commodities: Supply-utilization indexes by component and relationship of components to annual utilization, 1964 to date 1/

Year	Supply: Production	Supply: Imports 2/	Supply: Stocks 3/	Total annual utilization	Utilization: Domestic use: Food: Civilian	Utilization: Domestic use: Food: Military	Utilization: Domestic use: Nonfood: Seed and feed	Utilization: Domestic use: Nonfood: Other	Utilization: Domestic use: Total	Utilization: Exports and shipments 4/
	A.--All food commodities (1957-59=100) 5/									
1964	110.9	102.6	119.6	118.0	112.1	113.3	---	104.4	111.8	181.4
1965	116.1	101.4	108.9	117.4	112.1	127.6	---	108.4	112.3	170.3
1966	114.4	109.7	110.2	120.4	114.0	136.2	---	110.2	114.3	183.4
1967	123.8	110.2	103.0	121.9	117.8	140.9	---	105.5	117.8	164.5
1968 6/	124.6	123.0	112.4	124.7	120.9	139.6	---	107.2	120.7	165.6
1969 6/			120.4							
	Livestock food commodities (1957-59=100)									
1964	114.4	137.9	133.6	115.6	114.4	112.8	98.5	94.5	111.8	192.1
1965	112.5	130.1	106.5	113.2	113.4	124.1	94.7	93.6	111.0	132.6
1966	114.6	172.5	88.3	115.2	116.1	132.8	100.1	87.4	113.7	104.7
1967	118.5	181.7	102.4	118.7	120.0	143.8	88.1	90.9	117.2	106.6
1968 6/	119.2	198.1	131.9	121.2	122.7	145.0	81.8	93.0	119.6	113.7
1969 6/			115.9							
	Crop food commodities (1957-59=100)									
1964	106.0	97.1	118.9	117.6	107.2	114.8	110.5	110.3	108.7	178.9
1965	117.5	96.7	109.0	118.7	109.4	135.9	109.2	117.4	109.9	179.1
1966	118.1	100.2	111.3	127.5	109.6	148.0	125.4	124.0	116.7	201.9
1967	128.0	99.7	103.0	123.8	113.0	130.9	119.9	114.3	115.9	178.1
1968 6/	129.6	111.7	111.4	126.8	116.8	120.8	125.2	115.7	119.3	177.8
1969 6/			120.6							
	B.--All food commodities: Percentage of annual utilization 5/									
1964	86.1	9.9	4.0	100.0	82.0	1.5	---	2.9	86.4	13.6
1965	90.6	9.9	-.5	100.0	82.4	1.8	---	3.0	87.2	12.8
1966	87.0	10.4	2.6	100.0	81.8	1.8	---	2.9	86.5	13.5
1967	93.0	10.3	-3.3	100.0	83.4	1.9	---	2.8	88.1	11.9
1968 6/	91.5	11.3	-2.8	100.0	83.7	1.8	---	2.8	88.3	11.7
	Livestock food commodities: Percentage of annual utilization									
1964	96.7	2.5	.8	100.0	90.0	1.9	2.3	1.5	95.7	4.3
1965	97.0	2.5	.5	100.0	91.0	2.1	2.3	1.6	97.0	3.0
1966	97.2	3.2	-.4	100.0	91.6	2.2	2.4	1.4	97.6	2.4
1967	97.5	3.3	-.8	100.0	91.9	2.3	2.1	1.4	97.7	2.3
1968 6/	96.1	3.5	.4	100.0	92.0	2.3	1.9	1.4	97.6	2.4
	Crop food commodities: Percentage of annual utilization									
1964	78.9	14.9	6.2	100.0	44.5	.6	32.1	3.4	80.6	19.4
1965	86.7	14.7	-1.4	100.0	45.0	.8	31.5	3.5	80.8	19.2
1966	81.0	14.2	4.8	100.0	42.0	.7	33.6	3.5	79.8	20.2
1967	90.4	14.6	-5.0	100.0	44.6	.7	33.1	3.3	81.7	18.3
1968 6/	89.4	15.9	-5.3	100.0	45.0	.6	33.2	3.3	82.1	17.9

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis. Includes essentially all commodities having any U.S. food use. For list of food commodities and comparable data for 1950-63, see National Food Situation, NFS-124 (May 1968), pp. 15-17.

2/ Includes shipments from U.S. Territories.

3/ Farm (other than live animals), commercial, and Government program holdings. Section A: January 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes. Negatives indicate stock increases; positives signify withdrawals.

4/ Includes shipments to U.S. Territories.

5/ Feed and seed omitted from total commodities to avoid double counting of use through livestock.

6/ Preliminary.

uses and in volume of exports. Domestic production of food was up 1 percent, and there was a substantial rise in imports. The increase in supplies was somewhat greater than the increase in annual utilization. Consequently, end-of-year stocks of farm food commodities increased by about 7 percent.

Some further--but smaller--increase in total utilization of farm food commodities is likely in 1969. Food use probably will rise, but not by much more than the 1-percent increase in population, and exports of food commodities may not equal the 1968 level. Early indications point to some further gains in output both for crops and livestock commodities. However, imports of food commodities may drop below the extremely high levels of last year.

Marketings of total food commodities likely will rise around 1 percent this year--about in line with population growth (table 3).2/ But marketings of food crops may fall a little short of

2/ The data in table 3 are on a 50-State basis for the first time.

Table 3.--Volume of farm marketings and home consumption 1/
(1957-59=100)

Item	1968 Preliminary	1969 Indications	Percentage change
			percent
All farm commodities	123	124	1
Food and marketings and home consumption	122	123	1
Food marketings	126	127	1
Total food livestock	125	128	2
Meat animals	131	135	3
Poultry and eggs	138	139	1
Dairy products	104	104	0
Total food crops	129	126	-2
Food grains	143	130	-9
Vegetables 2/	120	118	-2
Fruit and nuts	106	116	9
Sugar crops	175	176	1
Home consumption	46	45	-2
Livestock	48	47	-2
Crops	43	42	-2
Nonfood marketings	125	128	2

1/ Quantities of farm products weighted by constant farm prices. Data on a 50-State basis. Data beginning 1910 reported in Food Consumption, Prices and Expenditures, Agric. Econ. Report No. 138, July 1968, p. 163, and previous tables published in the National Food Situation are on a 48-State basis. 2/ Includes potatoes, dry edible beans, and melons.

last year, according to early indications. Home consumption likely will trend downward, as usual.

Military Purchases About Stable

Military food purchases in 1968 totaled a little more than $1 billion, about the same as a year earlier (table 4). Purchases of beef dropped last year but poultry and dairy product purchases were larger. Buying of processed fruits and fresh vegetables dropped substantially below the high levels of 1967. In total, central procurement of food by the military forces amounted to approximately 2 percent of the total quantity of all food used in the United States. This percentage compares with the 1.7 percent military share of the population.

Value of Exports Declined

The value of agricultural products in 1968 represented 18 percent of total U.S. merchandise exports (table 5). Exports of agricultural commodities in calendar year 1968 dropped 2 percent from a year earlier to $6.2 billion. They compared with the record high of $6.9 billion in 1966. Exports in 1969 got off to a slow start because of the dock workers' strike. January-March exports were 43 percent below a year earlier.

Increases in exports of pork and dairy products in 1968 resulted in a 9-percent increase in exports of food animal products. The value of food crop exports, which comprised 90 percent of total food exports, declined 3 percent. Large decreases occurred for wheat and flour, fruit, vegetable oils, and nuts. Among foods which showed increases were soybeans, rice, and vegetables and preparations.

Value of Imports Up Sharply

The value of agricultural products imported in 1968 was higher than in any year of record except 1951. The increase over 1967 was a sizable 13 percent (table 5). Imports of complementary items (which do not compete with U.S. commodities) and supplementary commodities increased at the same rate. Food and nonfood agricultural products also increased at about the same rate.

Imports of food from crops rose 14 percent in 1968, and their value exceeded the value of food crops exported. Imports of coffee, fruits, treenuts, and sugar all increased strongly. Imports of all food from animal products, which make up only a fifth of all food imports, increased 11 percent. Beef and veal imports advanced 20 percent and pork 6 percent, contributing to an average increase for all meat and meat products of 16 percent.

Dairy products comprised the only major food group to show a drop in imports in 1968. Import quotas on mixtures containing 5.5 percent or more butterfat caused this drop. The value of cheese imports, however, increased 7 percent. A $14-million reduction in imports of Colby cheese--brought under import quotas in 1967--was more than offset by increases for most types of imported cheese.

The value of food imports this year is not expected to reach the high level of 1968. Anticipated imports of such important items as coffee and cocoa beans may offset some continued growth in imports of animal products. The dock workers' strike that accelerated imports near the end of 1968 and cut them early in 1969 is a contributing factor. First-quarter imports fell 16 percent short of a year earlier.

Exports in Relation to Domestic Supplies

Export markets are important outlets for many U.S. farm products. On the average, exports accounted for 15 percent of the total domestic supply of all farm and fishery products in 1968 (table 6).3/

3/ Domestic supply, defined as production plus changes in stocks, is equivalent to total utilization minus imports.

Table 4 .--Military food purchases, 1967 and 1968 1/ 2/

Item	1967					1968				
	I	II	III	IV	Year	I	II	III	IV	Year
	Millions of pounds									
Meat: 3/										
Beef and veal	181	207	193	220	801	167	198	168	155	688
Pork	62	82	63	62	269	69	92	74	53	288
Other	0	1	1	1	3	2	1	1	1	5
Fish 4/	11	19	11	9	50	9	14	12	8	43
Chicken and turkey 5/	34	39	40	35	148	40	40	43	40	163
Eggs 6/	40	53	41	39	173	42	47	40	39	168
Dairy products 7/	---	---	---	---	2,118	---	---	---	---	3,367
Fats and oils 8/	40	65	28	32	165	28	41	26	33	128
Fruits:										
Fresh	55	61	45	59	220	57	57	51	55	220
Processed	64	244	65	37	410	24	115	82	86	307
Vegetables:										
Fresh 9/	235	201	162	259	9/868	184	174	142	207	707
Processed	60	84	36	170	350	34	54	64	179	331
Cereal products:										
Wheat flour 10/	36	91	40	41	208	49	79	49	50	227
Other cereal products	14	26	15	5	60	16	19	53	17	105
Sugar and sirups 11/	52	54	52	33	191	27	21	32	37	117
Coffee, tea, and cocoa 12/	18	13	11	5	47	5	19	16	13	53
Value of central procurement (million of dollars) 13/	$235	$317	$280	$220	$1,052	$223	$292	$297	$242	$1,054
Percentage of total quantity of food used in the United States 14/	---	---	---	---	2.2%	---	---	---	---	2.1%

1/ Centrally procured food only, except for dairy products. 2/ Data in terms of product weight unless otherwise indicated. 3/ Carcass weight basis. 4/ Major fish and shellfish items only. 5/ Ready-to-cook basis. 6/ Shell equivalent. 7/ Milk equivalent (butter-fat basis) of all dairy products. Includes locally procured items estimated by USDA. 8/ Includes salad dressing, mayonnaise, and peanut butter; excludes butter. 9/ Includes potatoes and sweetpotatoes. Dehydrated onions and potatoes are converted to fresh weight equivalent. Includes dehydrated onions not available by quarters. 10/ Wheat flour equivalent. 11/ Excludes sweeteners in manufactured products. 12/ Coffee, roasted bean basis; tea, leaf basis; and beverage cocoa. 13/ Includes minor amounts of nonfood products and food items other than those listed above. 14/ Estimate of total quantity of military consumption; derived from data in table 2.

Based primarily on data from the U.S. Department of Defense, Defense Personnel Support Center, Philadelphia, Pennsylvania. Refer to the February 1968 National Food Situation for 1964, 1965, and 1966 data.

Table 5.--Value of exports and imports for consumption, calendar years, 1967 and 1968 1/

Item	Exports			Imports		
	1967	1968 2/	Change	1967	1968 2/	Change
	Million dollar	Million dollar	Percent	Million dollar	Million dollar	Percent
Food:						
Animal products						
Dairy products	121	144	19	115	101	-12
Beef and veal 3/	20	20	---	404	486	20
Pork 3/	18	32	78	203	216	6
Poultry meat	46	44	-4	1	1	---
Lard and other fats	34	28	-18	---	---	---
Total 4/	317	344	9	790	876	11
Crop products:						
Bananas	---	---	---	177	187	6
Other fruits	310	277	-11	138	181	31
Tree nuts	43	38	-12	77	110	43
Vegetables and preparations	164	173	5	168	178	6
Vegetable oils	175	133	-24	87	106	22
Soybeans	772	810	5	---	---	---
Rice	316	348	10	1	1	---
Wheat and flour	1,206	1,100	-9	---	---	---
Coffee	18	21	17	994	1,165	17
Cocoa	2	3	50	184	185	1
Tea	1	1	---	58	61	5
Sugar and related products 5/	46	51	11	598	649	9
Wines and malt liquors	2	2	---	110	127	15
Total 4/	3,220	3,120	-3	2,743	3,125	14
All food	3,537	3,465	-2	3,533	4,000	13
Nonfood:						
Animal products	358	332	-7	346	414	20
Crop products	2,484	2,431	-2	572	614	7
All nonfood	2,843	2,763	-3	919	1,028	12
All agricultural	6,380	6,228	-2	4,452	5,028	13
Complementary imports	---	---	---	1,756	1,986	13
Supplementary imports	---	---	---	2,696	3,042	13
Nonagricultural	24,762	27,999	13	22,281	28,059	26
Total, all commodities	31,142	34,227	10	26,733	33,088	24

1/ Compiled from U.S. Foreign Agricultural Trade by Commodities, Calendar year 1968. Food use of items such as oils, oilseeds, and grains is approximated. 2/ Preliminary. 3/ Excludes meat mixtures and edible offals. For this reason, exports are understated. 4/ Includes miscellaneous items in addition to those enumerated above. 5/ Includes flavoring sirups.

Table 6.--Exports and imports of farm and fishery products in relation to domestic supply and utilization, by major commodities, calendar years, 1966-68 1/

Commodity group	Exports as a percentage of domestic supply			Imports as a percentage of domestic utilization		
	1966	1967	1968 2/	1966	1967	1968 2/
	Percent	Percent	Percent	Percent	Percent	Percent
Livestock and products						
Cattle and calves	3.2	3.2	3.2	5.1	5.5	6.2
Hogs	2.1	2.0	2.2	3.1	2.9	2.9
Lamb and mutton	2.6	3.4	4.0	25.1	21.6	28.6
Wool and mohair	20.2	18.3	25.5	80.9	75.3	83.2
Dairy products	2.1	2.0	2.4	1.7	1.9	1.2
Poultry products	1.7	1.7	1.6	.1	3/	3/
Other livestock	4.8	5.3	2.7	4.8	7.7	7.7
All livestock products	2.5	2.5	2.6	5.0	4.6	5.1
Fishery products	9.0	9.4	8.6	51.9	49.9	55.2
Crop products						
Fruit, total	10.7	10.0	8.8	19.5	19.2	20.5
Bananas	0	0	0	99.6	100.0	100.0
Other	10.7	10.0	8.8	3.6	3.7	4.9
Treenuts, total	9.8	9.2	10.1	27.0	25.2	35.9
Domestic crops 4/	9.8	9.2	10.1	3.3	4.0	6.9
Cashews, other treenuts	0	0	0	100.0	100.0	102.0
Vegetables and potatoes 5/	3.6	3.4	3.5	2.0	2.4	2.4
Food grains	56.1	52.3	49.8	.7	.5	.4
Feed grains	15.5	13.4	13.1	.2	.2	.2
Food oils and oilseeds, total	35.2	35.8	37.8	10.5	9.3	10.8
Domestic crops 6/	35.2	35.8	37.8	.3	.7	.4
Copra, other oils and oilseeds	---	---	---	93.2	92.4	113.7
Sugars and sirups 7/	1.2	1.2	1.3	48.2	50.1	50.2
Coffee, tea, cocoa	---	---	---	102.1	97.6	108.1
Nonfood crops 8/	18.0	19.0	19.0	7.3	8.1	8.3
All crop products	22.1	20.8	20.7	15.2	15.4	16.7
Net total commodities 9/	16.8	15.3	15.3	13.9	13.4	14.7

1/ Domestic products are weighted using 1957-59 average farm and wharf prices; nondomestic products use dockside prices. Domestic supply equals production plus stock changes (total utilization minus imports); domestic utilization equals total utilization minus exports. On 50-State basis. 2/ Preliminary. 3/ Less than 0.05 percent. 4/ Almonds, filberts, walnuts, pecans and macadamias. 5/ Includes dried beans and peas, cowpeas, popcorn, and mustard seed. 6/ Sunflower seed, cottonseed, flaxseed, peanuts, and soybeans. 7/ Inshipments from Puerto Rico, included with imports, amounted to 6.1 percent of domestic utilization in 1966 (including Virgin Islands); 6.0 percent in 1967, and 4.3 percent in 1968. 8/ Cotton, tobacco, broomcorn, field-crop seeds, hay, hops, sorghum forage and silage, vegetable seeds and nonfood oil crops (castor beans, palm kernels and palm fruit, rapeseed, and tung nuts). 9/ Seed and feed used domestically excluded to avoid duplication in aggregating crop and livestock commodities.
For 1965 data, see the May 1968 issue of the National Food Situation.

This was the same percentage as a year earlier. It was down from 17 percent in 1966, but much above the 11 percent in 1950. Exports provide the market for a fifth of our total domestic supply of crop products, but for only about 2½ percent of our livestock products. About half of our food grains and more than a third of our food oils and oilseeds were exported in 1968. Export markets are also a very important part of our total market for corn and other feed grains.

Imports in Relation to Domestic Utilization

Last year we imported nearly 15 percent of domestic utilization of farm and fishery products, an increase of 1 percentage point from the previous year (table 6).4/ Although up significantly from 1967, this percentage has remained relatively stable over time. Data since 1950 follow:

Year	Percent
1950	13.8
1951	13.0
1952	13.4
1953	13.5
1954	11.8
1955	12.4
1956	12.5
1957	12.7
1958	13.2
1959	14.8
1960	13.3
1961	13.7
1962	14.5
1963	14.5
1964	13.0
1965	13.0
1966	13.9
1967	13.4
1968	14.7

Increases in the share of imports occurred for both animal and crop products. About 17 percent of our domestic utilization of crop products was imported in 1968--with almost all of our uses of certain commodities coming from foreign sources. These included coffee, tea, cocoa, bananas, most spices, and certain treenuts and oils and oilseeds not grown widely in the United States. About half of our total use of sugar came from Puerto Rico and foreign sources. But, little of our grains came from foreign sources.

A much smaller proportion of our total use of livestock products was imported than of our crop products. On the average, we imported 5 percent of our domestic utilization of all livestock products in 1968. This level was up about a half of 1 percentage point from the previous year and equaled the high level of 1966. Among the livestock food products only lamb and mutton had more than a tenth of total use from foreign sources.

Over half of the edible fishery products used in this country last year was imported. This proportion has been large for many years, but last year's gain was more than usual. Production from domestic sources increased slightly last year but over the past decade had slipped a little. Imports and domestic production from imported materials have accounted for all of the increase in consumption--mainly due to population growth--that has occurred since 1957-59.

4/ Domestic utilization equals total utilization minus exports.

CONSUMPTION AND DEMAND

Per capita food consumption in 1968 averaged 5 percent above the 1957-59 average (fig. 9 and table 7). Consumption was up a little more than 1 percent per capita during each of the last 3 years. In other words, much of the total gain over the last decade took place in the most recent 3 years.

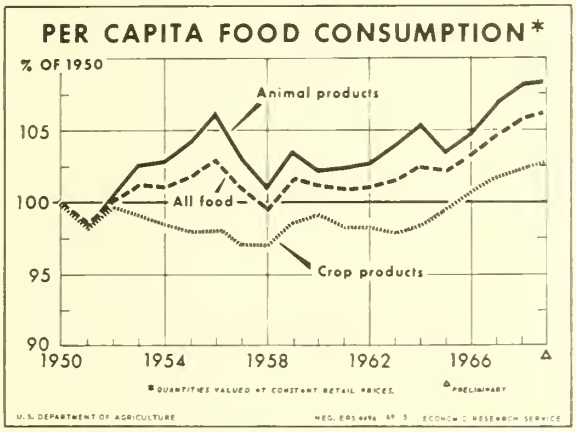

Figure 9

Consumption of both animal and crop food products increased significantly last year, although the increase for animal products was larger. Over the past decade, they have each increased around 5 percent.

Per capita food consumption this year may creep upward, in contrast to the rather quick pace of the last 3 years. Fractional increases are estimated both for animal and crop food products.

Quarterly consumption data--available only for livestock products--show that per capita consumption of meat in first-quarter 1969 was slightly above a year earlier (table 8). Pork and broiler consumption was up, but consumption of dairy products and eggs was down. The total livestock products index was near a year earlier.

Per capita supplies of meat and poultry in the second quarter likely will be larger than a year earlier. Egg consumption may come closer to year-earlier levels than in the first quarter. In total, livestock product consumption likely will turn up in the second quarter.

Livestock Products

January-March consumption of pork was 3 to 4 percent larger than a year earlier. Beef consumption was about the same, but lamb consumption was smaller.

For the year, pork consumption is expected to be up 2 to 3 percent, continuing the increases begun in 1967 (fig. 10). Beef consumption is expected to average slightly larger this year but not by as much as in other recent years Consumption of veal and lamb again is expected to decline.

Consumption of chicken in 1968 averaged 37 pounds per capita, and turkey averaged 8 pounds (table 9). Turkey consumption was down 8 percent from the previous year but consumption of chicken was the same. This drop in consumption of total poultry meat last year was the first in several years. The pickup in consumption in first-quarter 1969 likely will continue throughout the year. The yearly total of all poultry likely will exceed the 1968 level by 3 or 4 percent.

Egg supplies this year are expected to average below a year earlier, but year-to-year differences likely will narrow as the year progresses. Per capita consumption has averaged lower in most postwar years except 1967.

Production of milk last year dropped about 1 percent from the previous year. Output continues to run lower and for the year is expected to fall short of the 1968 level.

Per capita consumption of dairy products dropped last year. Fluid whole milk and cream consumption was down but consumption of low-fat and skim milk continued rising sharply. Per capita

Table 7 .--Food consumption per capita, 1960-69 1/

(1957-59=100)

Selected years	Meat	Poultry	Fish	Eggs	Dairy products 2/	Fats and oils: Animal 2/	Fats and oils: Vegetable	Fats and oils: Total	Fruits 3/: Fresh	Fruits 3/: Processed	Fruits 3/: Total
1960	102	102	98	94	98	92	106	99	97	102	99
1961	101	112	102	92	97	94	103	99	93	99	96
1962	102	110	101	92	97	93	107	100	89	103	95
1963	105	112	102	89	97	89	112	101	80	94	87
1964	108	114	99	89	97	87	119	103	85	91	88
1965	104	122	103	88	96	83	121	102	87	96	92
1966	106	131	102	88	95	75	134	105	87	97	92
1967	110	136	102	91	93	75	131	104	86	107	96
1968 6/	113	134	104	90	94	77	137	107	85	104	94
1969 7/	---	---	---	---	---	---	---	---	---	---	---

Selected years	Vegetables 4/: Fresh	Vegetables 4/: Processed	Vegetables 4/: Total	Potatoes and sweetpotatoes: Fresh	Potatoes and sweetpotatoes: Processed	Cereal products	Sugar and sweeteners	Coffee, tea, and cocoa	All food: Animal products	All food: Crops 5/	All food: Total
1960	100	103	101	94	131	100	102	101	99.6	101.5	100.5
1961	98	104	99	92	137	99	102	102	99.7	100.7	100.1
1962	95	109	99	88	150	98	103	103	100.1	100.8	100.4
1963	94	109	99	90	160	97	103	106	101.3	100.2	100.8
1964	93	111	98	82	178	98	103	103	102.8	100.7	101.8
1965	93	116	99	77	202	98	103	100	100.9	102.0	101.4
1966	91	118	99	77	229	96	104	100	102.1	103.0	102.5
1967	92	122	101	74	230	97	104	101	104.1	104.1	104.1
1968 6/	91	126	101	74	230	98	106	101	105.6	104.8	105.2
1969 7/	---	---	---	---	---	---	---	---	105.9	105.2	105.6

1/ Civilian consumption only. Quantities of individual foods are combined in terms of 1957-59 retail prices. Data for earlier years, are given in table 2, National Food Situation, NFS-124 (May 1968), p. 2, and in table 1, Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, July 1968.

2/ Includes butter.

3/ Excludes melons and baby food.

4/ Excludes soup, baby food, dry beans and peas, potatoes, and sweetpotatoes.

5/ Includes melons, dry beans and peas, nuts, soup, and baby food in addition to groups shown separately.

6/ Preliminary.

7/ Preliminary indications.

Table 8.--Livestock products: Per capita civilian consumption indexes, quarterly, 1966-69 1/

(1957-59=100)

Year and quarter		Meat	Poultry	Eggs	Dairy products		Animal fats, including butter	Total livestock products 2/
					Excluding butter	Including butter		
1966	I	101.9	103.2	88.4	98.7	96.9	80.1	98.8
	II	104.2	120.0	85.8	98.4	95.8	71.7	100.5
	III	106.9	139.4	86.7	97.3	93.9	70.1	102.9
	IV	110.3	159.7	91.5	94.4	92.5	77.0	105.9
1967	I	110.7	110.3	90.9	95.1	93.2	77.8	102.4
	II	108.6	128.3	88.3	98.4	95.4	70.3	103.4
	III	110.2	143.2	90.0	94.8	92.0	73.0	104.3
	IV	111.0	164.0	93.9	92.4	90.7	78.4	106.2
1968 3/	I	111.9	113.1	92.7	96.7	94.6	79.7	103.9
	II	110.4	124.8	88.4	98.0	95.4	74.6	104.0
	III	114.1	139.0	86.9	96.0	93.6	75.4	106.1
	IV	116.1	159.5	90.8	93.6	91.4	77.3	108.3
1969 3/	I	112.6	117.5	86.6	95.2	93.3	79.7	103.6

1/ Quantities of individual foods, measured in pounds equivalent to the form sold by retail food stores, combine in terms of average 1957-59 retail prices. Data since 1955 are in Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, July 1968. 2/ Excludes fish and honey. 3/ Preliminary.

consumption of all fluid items remained stable in product pounds, but dropped on a whole milk equivalent (fat solids) basis. Cheese and ice cream consumption both increased during 1968. Even butter consumption broke a long downtrend by rising slightly in 1968, partly--but not entirely--because of an increase in Government donations.

Per capita consumption of milk in all dairy products likely will decline slightly again this year. A smaller amount of fluid whole milk and cream, cheese and nonfat dry milk apparently will be consumed. Somewhat smaller amounts of dairy products are expected to be available for USDA donation.

Fishery Products 5/

Supplies of edible fishery products were a little heavier than a year earlier during first-quarter 1969. Imports of the major edible fish were about 4 percent smaller, but frozen fish inventories were larger on January 1. Domestic landings, seasonally low in early months of the year, were a little larger than last year--primarily because of a large increase in the domestic tuna catch. Cod and flounder landings were also larger, but catches of ocean perch and haddock dropped.

Demand for fish was strong in first-quarter 1969, and prices were up from a year earlier. Prices paid to fishermen were up about 8 percent. Most of the increase was due to substantially higher shellfish prices. Wholesale

5/ Based on information received from Bureau of Commercial Fisheries, U.S. Department of the Interior.

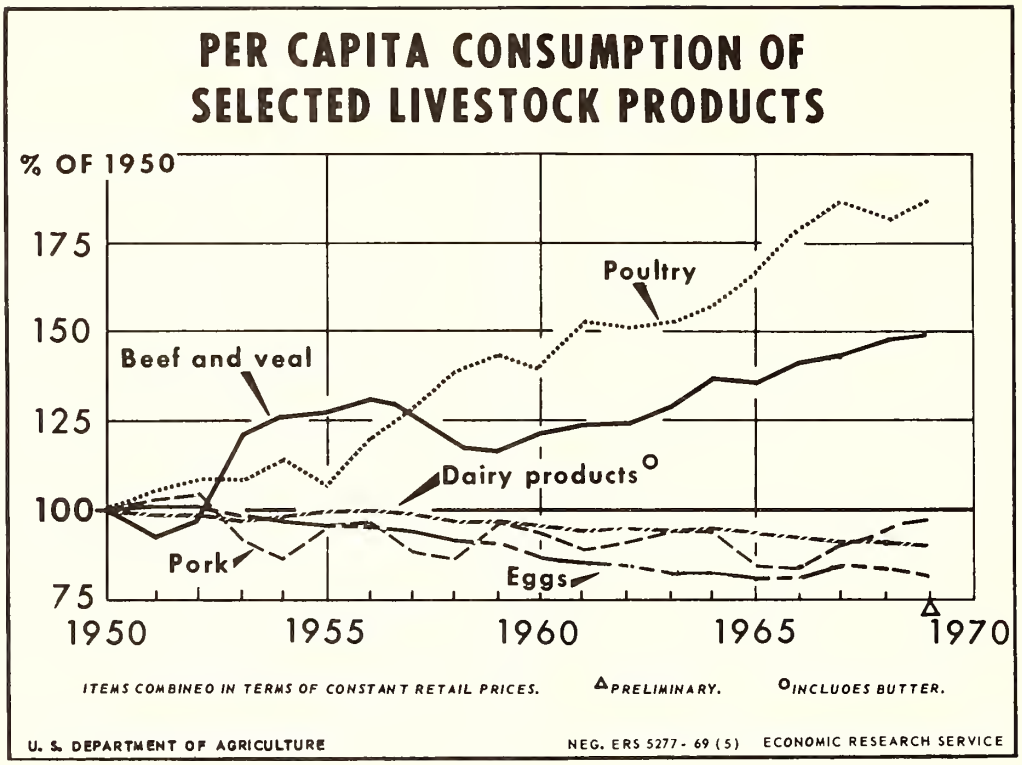

Figure 10

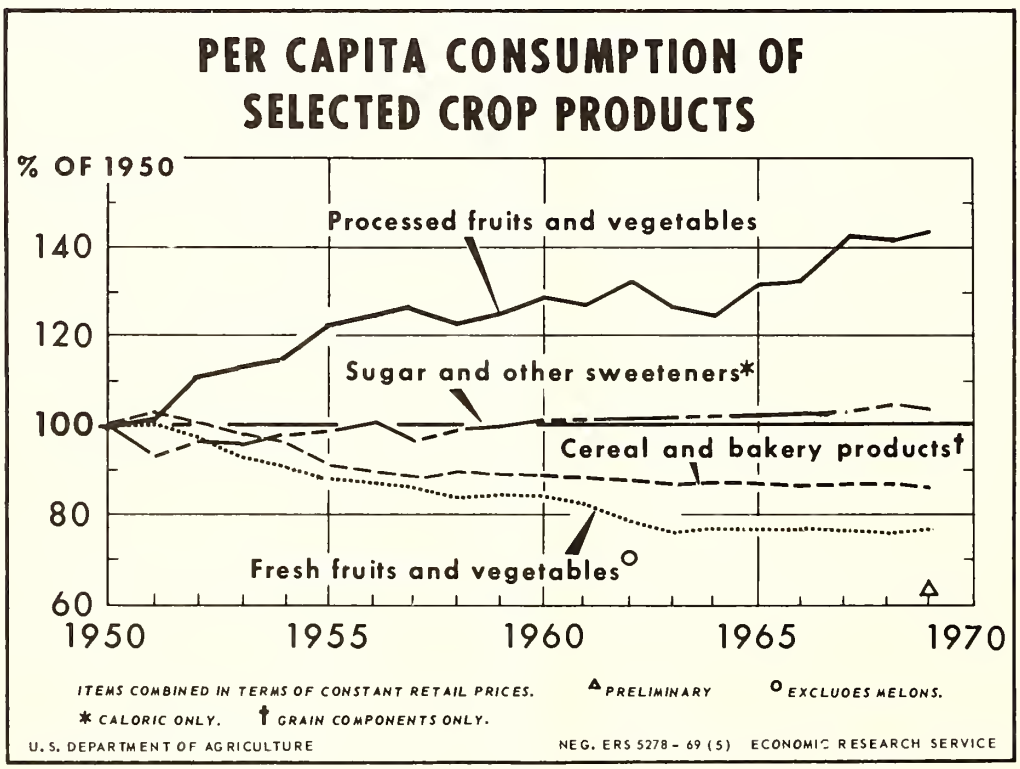

Figure 11

Table 9 .--Civilian per capita consumption of major food commodities (primary distribution weight) and civilian population, average 1957-59, annual 1964-68 1/

Commodity	Average 1957-59	1964	1965	1966	1967	1968 Preliminary	1968 as percentage of 1967
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent
Meats (carcass weight)	156.6	174.5	166.7	170.5	177.5	182.7	103
Beef	82.1	99.8	99.3	104.0	105.9	109.4	103
Veal	7.1	5.2	5.2	4.5	3.8	3.6	95
Lamb and mutton	4.4	4.2	3.7	4.0	3.9	3.7	95
Pork (excluding lard)	63.0	65.3	58.5	58.0	63.9	66.0	103
Fish (edible weight)	10.5	10.5	10.9	10.8	10.8	11.0	102
Poultry products							
Eggs (farm basis) - Number	356	318	314	313	323	320	99
Chicken (ready-to-cook)	27.5	31.0	33.3	36.0	37.1	37.1	100
Turkey (ready-to-cook)	6.0	7.3	7.5	7.8	8.6	7.9	92
Dairy products							
Cheese	7.9	9.4	9.5	9.7	10.0	10.6	106
Condensed and evaporated milk	14.8	11.3	10.6	9.7	9.0	8.6	96
Fluid milk and cream (milk equivalent)	337	304	301	296	286	279	98
Ice cream (product weight)	18.4	18.2	18.5	18.1	17.8	18.5	104
Fats and Oils - Total, fat content	45.3	47.5	47.7	49.6	49.2	51.0	104
Butter (actual weight)	8.2	6.8	6.4	5.7	5.5	5.6	102
Margarine (actual weight)	8.9	9.7	9.9	10.5	10.5	10.8	103
Lard	9.3	6.3	6.4	5.5	5.4	5.6	104
Shortening	11.4	13.7	14.0	15.9	15.9	16.2	102
Other edible fats and oils	10.8	14.2	14.1	15.1	15.1	16.0	106
Fruits							
Fresh	95.5	78.6	80.9	81.2	80.5	77.9	97
Citrus	34.0	26.1	29.0	29.0	31.5	26.0	83
Apples (commercial)	21.0	17.8	16.3	15.9	16.2	15.4	95
Other (excluding melons)	40.5	34.7	35.6	36.3	32.8	36.5	111
Processed:							
Canned fruit	22.4	22.9	23.4	22.8	22.5	23.0	102
Canned juice	13.5	11.4	10.8	11.6	11.7	12.5	107
Frozen (including juices)	8.6	7.4	8.5	8.1	10.1	9.1	90
Dried	3.3	2.9	3.0	3.0	2.8	2.6	93
Vegetables							
Fresh 2/	104.1	98.5	98.4	95.8	96.7	96.9	100
Canned, excluding potatoes and sweetpotatoes	43.3	45.7	46.8	47.4	48.8	50.7	104
Frozen, excluding potatoes	6.6	7.6	8.1	8.8	9.0	9.2	102
Potatoes, fresh equivalent	106.9	110.8	107.6	113.3	111.5	112.4	101
Sweetpotatoes, fresh equivalent	8.3	5.5	6.2	6.3	5.8	5.5	95
Grains							
Cornmeal and flour	7.4	5.8	5.7	5.6	5.5	5.5	100
Corn sirup	9.4	13.6	13.6	14.0	14.0	14.5	104
Corn sugar	3.6	4.4	4.5	4.5	4.6	4.6	100
Wheat flour 3/	120	114	113	111	112	112	100
Wheat cereals	2.8	2.9	2.9	2.9	2.9	2.9	100
Rice, milled	5.4	7.0	7.6	7.3	7.5	7.8	104
Other							
Coffee (green beans)	15.7	15.3	14.8	14.5	14.8	14.8	100
Tea	.58	.67	.68	.69	.69	.72	104
Cocoa beans	3.5	3.9	4.0	4.2	4.2	4.3	102
Peanuts (shelled)	4.6	5.3	5.6	5.4	5.7	5.8	102
Dry edible beans	7.7	7.6	6.6	6.3	6.9	6.5	94
Melons	25.1	23.0	23.6	21.9	21.9	21.8	100
Sugar (refined)	96.1	96.5	96.4	97.4	97.1	98.9	102
	Million	Million	Million	Million	Million	Million	Percent
Civilian population 4/	171.5	189.4	191.9	193.8	195.7	197.6	101

1/ Quantity in pounds except for eggs. Data on calendar year basis except for dried fruits, which are on pack-year basis, fresh citrus fruits and peanuts on a crop-year basis, and rice on August 1 year. Fresh citrus year begins in previous October and rice year begins in previous August. 2/ Commercial production for sale as fresh produce. 3/ Includes white, whole wheat, and semolina flour. 4/ July 1 civilian population (50 States beginning 1960) used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

prices for selected fresh, frozen, and canned fishery products averaged 10 percent higher.

Supplies of most fishery products are expected to be ample during second-quarter 1969, although price levels will be higher. April 1 stocks of fish exceeded a year earlier and domestic landings will increase seasonally during the second quarter. The catch of halibut and salmon begins in the second quarter. Domestic landings of tuna are likely to drop from the record levels of early 1969, but canned tuna supplies are expected to be adequate. Supplies of haddock have declined in recent years and this trend is expected to continue.

Sugar and Tropical Products

Refined sugar consumption last year totaled 99 pounds per capita, up about 2 pounds over 1967 (fig. 11). Sugar deliveries for use in commercially prepared foods and beverages last year rose a substantial 10 percent over a year earlier. But use of sugar in consumer packages--largely for household use--remained about the same.

The largest increase in sugar deliveries was for use in beverages, but use was up in all manufactured foods. Part of the increase in use of sugar reflected the large crop of deciduous fruit which was packed last summer and fall, some of which was not consumed in 1968. However, most of the increased delivery of sugar apparently moved into consumption. The indicated rise in consumption of sugar was exceptionally large in view of the usual stability in total use of sugar and the rising use of noncaloric sweeteners. The high 1968 level of sugar consumption may not be sustained in 1969.

Some drop in use of cocoa is likely this year. This is the fourth year that world output of cocoa beans will have trailed consumption. The January-March 1969 grind of cocoa beans was down 8 percent from first-quarter 1968. Stocks are being depleted and prices are running well above year-earlier levels. The lack of available supplies at competing prices likely will result in some substitution of other products.

U.S. per capita consumption last year rose slightly despite a drop of one-fifth in cocoa bean imports. Half of this decline was offset by a rise in imports of semiprocessed cocoa and chocolate products. Nevertheless, reduced imports cut into available stocks.

Per capita coffee consumption last year totaled about 14.8 pounds, green bean equivalent, the same as a year earlier but up slightly from 2 years ago. Total roastings of coffee last year were down slightly but production of instant coffee increased. The increase was particularly large during the second half of 1968 when freeze-dried coffee was generally introduced. As a result, consumption of instant coffee rose slightly as a proportion of total coffee, following several years of no change.

Other Crop Products

Per capita consumption of food fats and oils last year averaged 51 pounds, a 4-percent increase from a year earlier. This is a substantial rise for total fats and oils, which tend toward stability. Small increases in consumption occurred for all major products--including both butter and margarine--in contrast to the usual situation in which animal fat products decline as vegetable oil products rise. A slight decline in per capita consumption of total fats and oils products is expected this year.

Fruit consumption this year likely will rise significantly from 1968, in contrast to a decline last year. Most of the increase this year is expected to be among fresh fruits although processed fruit likely will share in the increase. The largest gain is for citrus.

Last winter's citrus crop rose by around a third, but total supplies of processed citrus products are not much greater. A reduced carryover of frozen orange juice concentrate into the current

year and unusually low juice yields from this year's orange crop are combining to hold supplies near year-earlier levels. Canned noncitrus fruit supplies at the beginning of the year were apparently much larger than a year earlier but it is too early to evaluate production of most noncitrus fruit crops for 1969. However, output of early peaches in the South is expected to equal last year's large crop. California's deciduous fruits are reported to be developing well despite last winter's extremely wet weather.

Small increases in per capita consumption of vegetables are likely in 1969. Processed vegetable inventories are much larger than a year earlier so supplies likely will remain large until the new packing season begins. Reported producer intentions indicate that acreage to be planted to vegetables for processing will be down substantially this year. Reductions are planned for most major crops.

Supplies of fresh vegetables this spring may be about as large as a year earlier. Output of most major fresh vegetable crops likely will exceed last year's levels, but output of lettuce is expected to be down sharply.

Potato supplies this spring probably will be close to those of a year earlier. Storage stocks are relatively large and prospective new supplies in total exceed those of a year earlier. However, the important late-spring crop in California may be delayed because of wet weather. Thus, a harvesting gap could develop in June. Summer and fall harvests of potatoes likely will about match those of 1968.

Per capita consumption of wheat flour used in all cereal and bakery products last year apparently held at 1967's level of 112 pounds. More typically, per capita consumption drops about 1 pound per year. Some tailing off in consumption is looked for in 1969. Consumption of rice--one of the few cereal products to show a rising trend in consumption--increased 4 percent in 1968. Per capita use of nearly 8 pounds was far short of utilizing our entire domestic supply; most of our rice is exported.

A CROSS-SECTIONAL VIEW OF U.S. FOOD CONSUMPTION 1/

Highlights

This report presents price-weighted cross-sectional food consumption indexes developed from information collected in the Household Food Consumption Survey, Spring 1965 in order to evaluate patterns of food consumption on a consistent basis. Consumption patterns are compared with those shown by a similar survey in the spring of 1955. Major findings were as follows:

- Variation by regions in per capita food consumption rates was cut in half in the 10-year interval. Among urbanizations (urban, rural nonfarm, and rural farm), variation was cut by a third.

- Northeast replaced the West as the largest per capita consumer. But in 1965 there was little variation in consumption among the Northeast, North Central, and West.

- The South remained the lowest in per capita food consumption, but it made the greatest gain over the 10-year period.

- The U.S. urban consumption rate was slightly lower in 1965 than in 1955 despite large gains in the South and Northeast regions.

- Between 1955 and 1965, farm and rural nonfarm per capita consumption rates increased, largely in the South where over 40 percent of these people live.

- Regional income changes explain part of the shifts in consumption.

- Population shifts--among regions and from rural to urban areas--have tended to lessen the variation in food consumption levels.

- In both 1955 and 1965, a 10-percent increase in per capita income was associated with a 1-1/2 percent increase in per capita food consumption. This relationship held for both animal and crop food products.

- Consumption response to a 10-percent increase in income for major items in 1965 follows:

  --Consumption of beef, processed fruit, processed vegetables, and processed potatoes each increased 3 percent or more for each 10-percent increase in income.

  --Consumption of pork, chicken, fish, fresh potatoes, and coffee each showed little association with income changes.

  --Consumption of cereal products and eggs both declined slightly as incomes increased.

The 1955 and 1965 Household Food Consumption Surveys are the largest, most comprehensive surveys of U.S. food use ever made. They were the first nationwide surveys to obtain a 4-region and 3-urbanization breakdown. 2/ The U.S. housekeeping-household population of 181 million persons sampled in 1965 excluded the population in Alaska and Hawaii and about 10 million other people. The ineligible population comprised (1) those who lived in households in which no one had 10 or more meals from household supplies during the week surveyed and (2) the socalled nonhousekeeping population--those who lived in hotels or rooming houses or in public or private institutions. This compares with the housekeeping population of 153 million covered in the 1955 survey, which excluded about 9 million persons. Omission of

1/ By Helen M. Ekluńd, Food Consumption Section, ERS.

2/ Reports 1-5 (one for the U.S. total and each of the 4 regions) of the Household Food Consumption Surveys for Spring 1955 and Spring 1965 show data on quantity of food used, value per household, and proportion of households using each food.

these segments of the population, though relatively small, occasionally may explain differences in level of consumption derived from the surveys and total consumption derived by the "disappearance" method. 3/

The two surveys reported quantity used, value per household, and proportion of households using an almost identical list of foods. The surveys covered the same regional and urbanization groups. However, reporting by income classification differed.

The 1955 survey of food use was tabulated by income classification only for families of 2 or more persons. The 1965 survey included 1-person households. Consumption by 1-person households for any given food or food group is usually very different from per capita consumption rates for larger families. Consumers in 1-person families are primarily adults (but children could enter as guests). In 1955 about 64 percent of these consumers were 55 years of age or older and 78 percent of these were women. Although per capita income for 1-person families is about a third higher than the average for all households, consumption expenditures of single people on average are about a half higher--thus, effective purchasing power is about 10 percent less. About three-fourths of 1-person households had incomes under $3,000 in 1955. Food use indexes for 1955 by income classification presented in this report were adjusted to include data for 1-person households.

Cross-section Consumption Indexes

Cross-section indexes of per capita consumption based on household use reported in the spring 1965 survey have been prepared by region, urbanization and income. Quantities of products reported used in the survey were adjusted to primary foods--ingredients of mixed foods distributed to basic food groups--and weighted by average annual retail prices in 1957-59. The value aggregates thus derived were then put in index form letting the U.S. average equal 100 (tables 10-14). These indexes match those developed for the 1955 survey (table 15). 4/ The indexes allow consistent comparisons of quantity on a cross-section basis. Their use avoids the aggregation problem of adding dissimilar quantities or values that vary over the income scale because of price differences.

Per capita use of household food supplies assumes that 21 meals at home is equivalent to 1 person. In this way, meals eaten by guests and meals eaten away from home by household members are taken into account.

The 1965 indexes were constructed in the same way and use the same retail store price weights (1957-59) as the annual Per Capita Food Consumption Index. 5/ The time-series index allows study of changes in consumption through time, while the 2 cross-sectional indexes permit in-depth analysis at two points in time, both in the Spring season.

Statistical notes at the end of this article explain the problems involved in converting the package of mixed foods that consumers buy, as reported by the surveys, to the primary foods necessary for construction of the index. They also describe the method used in adjusting the 1955 indexes by income classification to include data for 1-person households.

3/ For comparison of data, see U.S. Food Consumption: Annual Disappearance and Household Survey Data, by Corinne LeBovit, ERS-404, February 1969. [Reprinted from National Food Situation, NFS-126, November 1968.]

4/ The 1955 indexes utilized 1947-49 retail prices as weights. Introduction of New Regional Indexes for Food Consumption Analysis, By Robert J. Lavell, AMS-340(5), October 1959. [Reprinted from National Food Situation, NFS-89, July 1959.]

5/ For methodology of the time-series index, see U.S. Food Consumption, Statis. Bul. 364, Econ. Res. Ser., U.S. Dept. Agr., June 1965.

Consumption Patterns

1965 Total Food Use

Per person use of all food in the United States in spring 1965 increased rather uniformly at successively higher levels of income, varying from 18 percent below average at incomes under $1,000 to 16 percent above at incomes of $15,000 and over. Consumption of animal products and crop products shows only slightly differing patterns. As would be expected with higher-cost foods, animal product consumption in 1965 was farther below average than food from crops in income levels under $3,000. At incomes over $8,000, however, consumption of crop foods was slightly farther above average than animal products were.

Farm households used 2 percent more food than the U.S. average and urban households 1 percent more, while rural nonfarm used 3 percent less. All urbanization groups used about the same per capita amounts of food from crops, although the farm population used a little less. Animal products provided all of the deviation affecting the total food pattern--farm households used 4 percent more than average and urban families 1 percent more, while rural nonfarm consumption of animal products was 5 percent under average.

Except for only the highest income groups, farm families consumed more food per capita at each level of money income than either urban or rural nonfarm families. Differences were most striking at middle income levels. Although part of the larger amounts of food consumed by farm households may be due to the more active work connected with farming, the much higher rate of consumption of animal foods is largely attributed to the availability of home-produced food. About 30 percent of all farm household food was home produced, and two-thirds of this was livestock commodities. In addition, money income (the classifier for income levels) is a smaller part of total income for farm than for nonfarm families.

Aside from the nonmoney income attributed to housing and fuel which farm households have to a greater extent than others, home-produced food as reported used in the April-June 1965 period added an annual average of $128 per person to food cost and therefore to nonmoney income. This compares with the value of home-produced food amounting to an annual average of $5 for urban and $29 for rural nonfarm households.

Regional Changes

Much less variation from national averages is observed in the regional food consumption patterns in 1965 than in 1955. U.S. average food consumption per capita was about the same in both years (only a 0.3 percent difference). For this reason, the shifts in regional pattern may be interpreted as approximating absolute changes in per capita consumption rates. 6/ A summary of the cross-section indexes for all food consumed at home (U.S. average consumption in each year is equal to 100) follows: 7/

Region	1955	1965
All urbanizations		
All United States	100	100
Northeast	101	104
North Central	107	103
South	89	95
West	109	102
Urban		
All United States	102	101
Northeast	102	105
North Central	109	101
South	93	97
West	107	102
Rural nonfarm		
All United States	95	97
Northeast	98	99
North Central	102	104
South	85	92
West	113	95
Farm		
All United States	100	102
Northeast	113	105
North Central	111	110
South	86	91
West	113	115

6/ This assumes no reduction in seasonal pattern over time.

7/ Summarized from tables 10-15.

Table 10.--United States: Cross-sectional indexes of per person food use, by urbanization and family income, Spring 1965 1/

Urbanization and income group 2/ (dollars)	Total			Animal products										
				Red meat			Poultry				Dairy products			
	All food	Animal products	Crop products 3/	Beef	Pork	Total 4/	Chicken	Total 5/	Fishery products	Eggs	Fresh fluid milks 6/	Processed including butter	Total including butter	Animal fats (excluding butter)
	Index: U.S. average = 100													
U.S. average 7/	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Under 1,000	82	81	82	66	97	76	102	96	114	102	67	78	73	115
1,000-1,999	87	87	88	78	99	91	107	101	102	106	78	83	81	91
2,000-2,999	92	92	92	76	99	84	96	91	93	100	81	86	84	101
3,000-3,999	99	99	99	88	103	99	100	100	92	99	88	82	85	90
4,000-4,999	97	97	97	95	101	97	106	105	89	104	96	90	93	95	81
5,000-5,999	101	100	99	102	102	103	97	97	96	100	105	101	103	103	97
6,000-6,999	102	103	102	103	101	105	101	100	96	101	104	100	102	102	99
7,000-7,999	104	104	106	111	104	108	97	99	109	96	113	104	109	108	99
8,000-8,999	106	105	106	114	99	109	96	98	98	99	105	109	107	107	99
9,000-9,999	107	105	109	111	91	105	97	96	88	91	115	115	115	114	104
10,000-14,999	112	111	112	114	97	110	100	106	117	98	124	122	118	117	116
15,000 and over	116	115	117	123	93	116	99	105	127	102	111	128	120	116	136
Urban 7/	101	101	100	103	100	103	104	105	101	98	100	99	100	100	94
Under 1,000	85	85	85	71	107	84	122	114	98	103	67	76	72	72	78
1,000-1,999	88	89	87	80	95	86	118	116	101	107	78	85	79	81	72
2,000-2,999	91	90	93	79	100	88	99	94	100	102	84	85	85	85	92
3,000-3,999	88	89	88	81	102	89	106	104	93	97	83	77	80	81	80
4,000-4,999	95	95	96	93	102	97	111	111	95	101	92	83	87	89	68
5,000-5,999	102	104	99	104	105	105	103	104	93	98	104	101	104	104	90
6,000-6,999	102	103	100	112	99	108	100	99	93	98	102	101	101	100	99
7,000-7,999	107	107	106	111	106	110	98	101	112	96	112	102	107	107	93
8,000-8,999	104	104	105	114	94	107	100	104	97	93	104	105	104	103	100
9,000-9,999	105	103	107	107	90	102	102	102	85	88	115	110	113	112	98
10,000-14,999	111	111	111	116	96	110	105	110	109	97	115	119	117	116	114
15,000 and over	117	116	118	121	94	116	110	116	137	99	112	128	120	117	137
Rural nonfarm 7/	97	95	100	93	97	92	91	90	100	101	97	99	98	99	100
Under 1,000	76	74	78	57	83	64	86	79	135	100	59	73	66	66	137
1,000-1,999	85	80	90	61	98	72	94	90	121	102	74	77	76	78	95
2,000-2,999	81	78	85	67	93	74	90	84	76	96	68	85	77	78	100
3,000-3,999	94	93	95	87	100	91	91	97	101	100	93	90	91	93	88
4,000-4,999	96	95	97	96	93	93	100	97	73	106	100	95	98	100	89
5,000-5,999	96	94	99	95	93	92	82	82	89	104	106	96	101	101	102
6,000-6,999	102	100	105	99	103	98	100	99	102	101	108	98	103	104	90
7,000-7,999	104	103	105	109	97	102	95	92	101	90	115	106	111	110	112
8,000-8,999	107	107	108	106	113	107	90	81	104	111	110	118	114	116	82
9,000-9,999	114	112	116	131	98	117	74	71	90	100	113	135	124	123	115
10,000-14,999	114	109	119	105	98	104	81	94	163	96	112	127	119	119	109
15,000 and over	115	110	122	123	87	111	88	94	84	114	106	131	119	118	110
Farm 7/	102	104	98	102	111	102	92	89	95	116	109	109	109	107	158
Under 1,000	87	88	86	71	104	80	88	85	107	105	86	95	90	90	169
1,000-1,999	89	92	84	67	115	82	97	91	118	112	104	88	96	96	157
2,000-2,999	90	94	85	82	106	88	95	90	103	103	102	91	97	96	148
3,000-3,999	95	95	94	84	112	90	92	87	70	113	106	97	102	100	154
4,000-4,999	108	109	108	110	117	109	84	85	93	121	111	114	113	111	155
5,000-5,999	106	109	103	116	107	110	91	88	98	113	114	114	114	111	157
6,000-6,999	113	115	109	115	121	114	124	115	97	131	112	116	114	114	140
7,000-7,999	116	116	117	118	115	113	80	76	77	132	138	129	134	133	143
8,000-8,999	117	123	110	148	107	129	101	98	93	136	111	131	121	116	180
9,000-9,999	116	116	116	120	101	112	95	101	133	112	122	127	125	121	173
10,000-14,999	112	118	104	125	114	118	77	80	98	122	116	144	131	126	177
15,000 and over	110	117	99	152	97	130	69	64	104	127	110	117	114	107	179

See footnotes at end of table.

Continued

Table 10.--United States: Cross-sectional indexes of per person food use, by urbanization and family income, Spring 1965 1/ - Continued

Urbanization and income group 2/ (dollars)	Melons	Fruits and vegetables (excluding baby foods and soups)												
		Fruit, excluding melons								Vegetables				
		Processed								Processed				
		Fresh	Canned		Frozen	Chilled: juice	Dried	Total 8/	Total	Fresh	Canned	Frozen	Total	Total
			Fruit	Juice										
	Index: U.S. average 100													
U.S. average 7/	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Under 1,000	28	79	63	65	34	43	96	55	67	95	71	36	63	81
1,000-1,999	38	93	67	81	40	49	146	64	79	103	80	48	72	90
2,000-2,999	79	85	77	84	52	71	102	73	79	93	79	59	75	85
3,000-3,999	84	82	84	77	46	37	80	72	77	87	91	55	83	85
4,000-4,999	64	92	93	91	59	96	104	84	88	92	101	86	98	95
5,000-5,999	82	98	102	97	90	115	92	98	98	94	107	86	103	98
6,000-6,999	99	104	106	98	105	103	102	103	103	100	114	91	108	103
7,000-7,999	140	107	109	106	113	104	67	108	107	102	102	127	108	105
8,000-8,999	110	103	121	109	141	106	78	121	112	101	106	124	110	105
9,000-9,999	120	107	129	119	166	116	138	135	121	109	107	138	114	111
10,000-14,999	150	126	117	140	182	110	115	140	133	110	107	166	121	114
15,000 and over	229	125	115	139	200	205	116	153	140	145	102	193	121	133
Urban 7/	109	97	104	108	113	119	94	108	103	97	104	115	107	101
Under 1,000	33	76	73	89	38	74	104	68	72	100	93	63	86	94
1,000-1,999	51	88	72	80	54	74	181	73	80	96	90	73	86	90
2,000-2,999	87	89	90	97	68	102	105	87	88	90	88	82	87	89
3,000-3,999	89	73	90	83	53	118	66	79	76	79	96	67	90	84
4,000-4,999	74	82	96	104	65	105	100	90	86	90	103	105	104	96
5,000-5,999	92	92	101	103	99	133	76	103	93	92	110	100	108	99
6,000-6,999	98	102	111	102	111	108	108	108	105	93	116	94	110	101
7,000-7,999	143	105	106	110	115	127	57	111	108	99	104	126	110	104
8,000-8,999	116	98	117	116	143	114	80	122	110	99	106	136	114	105
9,000-9,999	125	101	129	122	164	131	133	136	119	103	107	139	114	108
10,000-14,999	154	119	120	140	190	122	111	144	132	106	107	179	124	114
15,000 and over	226	125	113	141	207	226	89	156	141	146	104	194	123	136
Rural nonfarm 7/	88	103	96	88	79	68	103	87	95	102	95	77	91	97
Under 1,000	23	73	58	39	35	23	91	46	59	82	48	10	40	64
1,000-1,999	28	98	66	99	29	28	134	62	80	115	71	22	59	91
2,000-2,999	84	72	61	58	22	34	95	50	61	99	71	33	61	83
3,000-3,999	91	91	77	76	40	44	103	67	78	94	91	44	80	88
4,000-4,999	34	99	85	63	46	96	81	70	84	86	103	58	92	89
5,000-5,999	58	106	108	91	69	86	119	90	98	93	106	62	96	94
6,000-6,999	96	104	98	91	87	108	98	95	99	108	111	92	106	107
7,000-7,999	136	109	120	92	106	43	85	100	104	105	96	130	104	105
8,000-8,999	92	112	134	92	141	102	63	120	116	99	107	95	104	101
9,000-9,999	100	131	123	113	175	49	180	128	129	126	109	132	116	122
10,000-14,999	142	153	111	155	165	66	112	133	143	122	108	131	112	117
15,000 and over	305	132	152	151	187	121	288	161	147	122	88	249	125	124
Farm 7/	63	119	78	66	64	30	115	70	94	119	81	45	71	98
Under 1,000	28	101	44	60	19	6	106	42	71	125	63	18	51	93
1,000-1,999	12	102	53	50	13	8	60	39	70	116	63	18	51	80
2,000-2,999	27	102	52	60	48	8	103	52	77	100	63	22	53	79
3,000-3,999	39	110	68	42	31	26	93	51	90	123	67	18	55	93
4,000-4,999	82	138	99	84	60	36	172	83	110	120	87	49	77	101
5,000-5,999	67	125	89	57	77	33	129	75	100	127	89	45	78	106
6,000-6,999	129	130	82	81	103	25	110	85	107	134	98	54	86	113
7,000-7,999	106	138	105	116	105	18	152	102	120	128	97	103	97	115
8,000-8,999	100	143	112	70	113	9	128	96	119	113	96	76	92	104
9,000-9,999	123	129	153	95	136	119	147	130	130	114	113	137	116	115
10,000-14,999	119	133	102	96	125	71	189	108	120	115	96	89	94	103
15,000 and over	61	113	52	86	129	135	62	93	103	109	109	58	93	102

See footnotes at end of table.

Continued

Table 10.--United States: Cross-sectional indexes of per person food use, by urbanization and family income, Spring 1965 1/- Continued

Urbanization and income group 2/ (dollars)	Vegetable oils	Potatoes and sweetpotatoes: Fresh	Potatoes and sweetpotatoes: Processed	Potatoes and sweetpotatoes: Total	Soup and baby food	Dry beans and peas	Tree nuts and peanuts	Cereal products	Sugar and sirup: Sugar 3/	Sugar and sirup: Other 10/	Sugar and sirup: Total	Coffee	Tea	Cocoa
	Index: U.S. average = 100													
U.S. average 7/	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Under 1,000	75	95	40	64	63	169	78	113	119	74	83	95	70	63
1,000-1,999	87	100	31	61	59	171	66	110	117	76	85	107	91	52
2,000-2,999	91	102	66	83	76	171	80	107	115	85	91	99	96	80
3,000-3,999	94	106	64	82	105	148	87	104	122	87	94	99	91	89
4,000-4,999	103	115	86	99	110	121	94	104	114	96	100	99	104	94
5,000-5,999	104	102	97	99	126	85	104	99	100	95	99	95	104	106
6,000-6,999	101	101	107	104	102	83	107	98	96	103	101	96	109	111
7,000-7,999	108	99	133	119	109	62	121	100	98	111	108	102	100	115
8,000-8,999	110	96	139	120	107	64	114	96	91	110	106	100	96	117
9,000-9,999	106	99	135	119	109	63	112	95	82	108	103	107	87	113
10,000-14,999	102	89	148	122	96	57	113	94	76	119	110	103	100	115
15,000 and over	100	76	132	108	82	45	128	90	65	131	117	100	74	141
Urban 7/	100	91	103	98	110	86	98	97	87	101	98	102	96	98
Under 1,000	88	77	39	56	83	137	82	99	91	77	80	96	83	70
1,000-1,999	93	83	35	56	79	140	60	101	100	76	81	110	100	50
2,000-2,999	96	92	86	89	90	146	80	104	100	86	89	104	100	76
3,000-3,999	94	89	61	74	125	121	79	98	109	94	89	98	87	85
4,000-4,999	101	103	78	89	130	113	89	101	101	92	94	100	96	94
5,000-5,999	104	93	92	93	138	84	101	98	91	99	97	99	104	102
6,000-6,999	98	92	101	97	110	77	101	96	85	102	98	94	100	107
7,000-7,999	108	96	136	119	108	61	117	101	93	112	108	102	100	115
8,000-8,999	106	90	144	120	115	57	108	95	81	110	105	99	87	115
9,000-9,999	104	94	140	120	117	55	109	92	73	107	100	106	87	107
10,000-14,999	100	84	145	118	97	56	112	93	66	110	103	106	91	109
15,000 and over	97	74	132	107	80	37	126	88	54	133	117	106	61	141
Rural nonfarm 7/	103	113	95	103	84	124	108	105	118	98	102	100	104	107
Under 1,000	67	98	41	66	55	205	82	125	133	71	84	96	57	54
1,000-1,999	85	112	19	60	38	207	79	124	131	74	88	112	87	50
2,000-2,999	90	111	43	73	60	213	78	118	130	82	98	98	91	85
3,000-3,999	99	125	76	97	85	194	106	110	131	91	99	105	109	106
4,000-4,999	111	137	100	116	76	133	101	107	124	100	105	99	104	94
5,000-5,999	105	117	100	107	108	81	113	101	110	100	102	83	100	107
6,000-6,999	108	118	121	120	93	81	118	102	113	103	105	101	126	122
7,000-7,999	108	102	120	112	114	64	125	97	107	108	108	97	96	126
8,000-8,999	120	102	130	118	90	87	122	98	115	111	111	100	126	124
9,000-9,999	119	111	117	115	85	82	121	106	104	116	113	113	78	137
10,000-14,999	108	97	183	145	99	63	125	97	98	125	119	101	122	143
15,000 and over	117	70	126	102	121	79	149	97	94	133	125	74	170	152
Farm 7/	86	139	79	106	51	146	100	113	158	94	107	88	100	94
Under 1,000	59	136	39	81	26	171	61	123	166	74	93	89	61	67
1,000-1,999	68	132	38	79	28	204	61	116	147	82	95	79	65	67
2,000-2,999	67	130	33	76	50	184	82	117	154	81	96	78	78	76
3,000-3,999	80	147	53	94	43	172	91	123	173	93	109	85	91	81
4,000-4,999	97	138	102	118	67	146	107	114	169	108	121	92	148	109
5,000-5,999	93	133	116	123	61	113	110	107	157	102	113	84	126	113
6,000-6,999	98	134	100	115	52	154	127	110	168	108	120	93	152	115
7,000-7,999	116	171	128	147	87	96	148	110	156	115	124	100	126	120
8,000-8,999	111	160	105	129	54	89	122	114	135	106	112	102	78	113
9,000-9,999	100	142	113	126	63	121	147	109	172	107	120	112	78	131
10,000-14,999	99	136	98	115	73	63	113	94	153	91	103	91	126	80
15,000 and over	95	125	137	132	85	77	101	104	139	96	105	83	35	107

1/ Derived from 1965 Household Food Consumption Survey data on per capita use of individual foods (21 meals at home equivalent to 1 person). Indexes are based on quantities of products reported in the survey adjusted to primary foods and weighted by 1957-59 U.S. average retail prices. 2/ Family money income in 1964, after income taxes. 3/ Includes foods other than those listed separately. 4/ Includes lamb, mutton, and game. 5/ Includes turkey. 6/ Includes skim milk, buttermilk, and flavored milks. Excludes amounts used in commercially processed foods. 7/ Includes data for households not classified by income. 8/ In addition to categories listed, includes the fruit in bakery products, jams, and jellies. 9/ White and brown sugar used as such; excludes amounts in processed foods. 10/ Includes sweetening ingredients of major mixed foods (bakery products, soft drinks, candy, jams and jellies, etc.)

Table 11.--Northeast: Cross-sectional indexes of per person food use, by urbanization and family income, Spring 1965 1/

Urbanization and income group 2/ (dollars)	Total			Animal products										
				Red meat			Poultry				Dairy products			
	All food	Animal products	Crop products 3/	Beef	Pork	Total 4/	Chicken	Total 5/	Fishery products	Eggs	Fresh fluid milks 6/	Processed, including butter	Total: Including butter	Total: Excluding butter	Animal fat (including butter)
	Index: U.S. average = 100													
Northeast average 7/	104	104	103	100	91	100	101	105	102	89	109	103	106	104	122
Under 1,000	92	83	98	80	77	77	92	86	104	103	78	109	94	94	85
1,000-1,999	97	96	98	78	94	88	152	144	93	104	91	84	88	86	99
2,000-2,999	91	89	95	79	78	80	103	98	90	87	92	92	92	90	119
3,000-3,999	98	97	99	87	98	93	97	95	104	95	101	88	95	94	115
4,000-4,999	98	99	96	90	98	95	123	125	79	89	104	88	96	95	107
5,000-5,999	103	104	100	99	95	102	97	102	97	84	115	102	108	107	104
6,000-6,999	105	106	104	103	92	101	97	103	99	91	114	105	109	106	134
7,000-7,999	107	110	104	110	98	108	90	100	100	87	118	106	112	109	133
8,000-8,999	106	105	107	101	98	102	84	91	112	87	104	113	109	105	127
9,000-9,999	109	108	109	103	79	100	104	105	102	88	124	115	119	117	127
10,000-14,999	110	110	110	110	85	106	95	105	133	90	111	109	110	106	136
15,000 and over	122	124	121	112	78	115	114	119	137	99	114	146	130	124	174
Urban 7/	105	106	104	100	94	103	110	114	108	89	110	101	106	103	123
Under 1,000	88	82	96	66	105	79	141	133	132	75	61	65	63	65	54
1,000-1,999	95	94	96	75	93	88	149	140	100	110	84	78	81	81	86
2,000-2,999	95	93	98	80	80	86	115	110	100	90	89	92	91	88	121
3,000-3,999	97	97	98	83	108	95	111	105	114	97	97	79	88	87	116
4,000-4,999	99	100	97	89	100	96	134	139	90	88	105	81	93	92	102
5,000-5,999	104	107	101	99	98	105	103	109	101	82	116	102	109	108	102
6,000-6,999	106	108	103	107	92	104	101	105	101	90	116	107	111	107	138
7,000-7,999	113	115	110	110	107	114	102	114	108	89	120	106	113	109	136
8,000-8,999	107	106	109	100	100	104	93	97	121	80	101	111	106	103	126
9,000-9,999	105	105	106	97	76	97	104	106	98	85	124	106	115	113	115
10,000-14,999	112	113	111	113	84	109	109	112	128	92	115	110	113	108	144
15,000 and over	126	127	125	111	78	116	126	133	151	103	119	144	132	124	193
Rural nonfarm 7/	99	98	101	99	84	93	75	82	86	89	106	109	108	106	118
Under 3,000	88	86	91	80	71	74	89	84	74	92	94	104	99	98	105
3,000-4,999	97	96	99	97	82	93	77	76	61	89	104	107	106	105	108
5,000-6,999	99	97	103	94	89	91	79	87	85	91	111	99	105	102	117
7,000-9,999	103	105	100	112	84	101	72	78	90	91	113	118	115	112	135
10,000 and over	104	100	105	99	87	95	55	81	129	82	98	114	106	105	106
Farm 7/	105	108	102	111	88	100	77	76	89	101	124	117	120	116	164
Under 3,000	105	108	102	104	106	102	71	65	50	97	141	117	128	124	186
3,000-4,999	97	96	99	89	75	84	66	73	54	102	120	111	115	110	170
5,000-6,999	108	115	99	135	86	114	95	90	109	95	105	130	118	115	146
7,000-9,999	110	111	108	89	95	89	74	75	135	106	162	121	141	137	168
10,000 and over	116	121	109	152	92	125	88	82	153	106	125	104	115	111	140

Continued

Table 11.--Northeast: Cross-sectional indexes of per person food use, by urbanization and family income, Spring 1965 1/ - Continued

Urbanization and income group 2/ (dollars)	Crop food products														
		Fruit (excluding melons)			Vegetables			Potatoes and sweetpotatoes							
	Vegetable oils	Fresh	Processed	Total 8/	Fresh	Processed	Total	Fresh	Processed	Total	Dry beans and peas	Tree nuts and peanuts	Cereal products	Sugar and sirups	Coffee
	Index: U.S. average = 100														
Northeast average 7/	96	101	121	111	95	109	101	102	104	103	62	95	100	99	107
Under 1,000	90	96	96	96	76	92	83	128	72	97	111	126	106	87	119
1,000-1,999	86	101	111	106	102	89	96	108	20	58	85	57	98	73	144
2,000-2,999	91	96	83	90	87	95	90	133	85	106	76	81	100	86	108
3,000-3,999	95	93	106	100	89	94	92	108	57	79	125	96	108	96	103
4,000-4,999	92	92	92	92	83	100	90	121	100	109	86	66	103	87	103
5,000-5,999	102	91	113	102	87	108	96	100	98	99	62	94	102	100	97
6,000-6,999	96	110	110	110	95	115	104	107	100	103	55	102	103	103	110
7,000-7,999	99	97	113	105	96	111	103	93	148	124	33	126	101	104	98
8,000-8,999	99	103	140	122	98	112	104	99	121	111	46	104	97	105	105
9,000-9,999	102	106	156	131	102	113	107	90	104	98	54	89	100	105	111
10,000-14,999	93	110	153	132	105	123	113	83	136	113	42	98	93	104	117
15,000 and over	86	131	188	160	131	139	135	85	128	109	28	113	87	117	106
Urban 7/	94	96	129	113	100	111	105	93	102	98	62	91	100	98	109
Under 1,000	96	87	110	99	97	108	102	74	30	49	81	90	80	64	141
1,000-1,999	82	101	99	100	107	86	98	90	9	44	98	55	92	72	140
2,000-2,999	94	98	92	95	98	102	100	117	99	107	76	86	102	85	108
3,000-3,999	90	81	114	97	91	101	96	87	48	65	132	89	106	89	97
4,000-4,999	90	90	106	98	86	95	90	104	95	99	83	64	102	85	102
5,000-5,999	101	87	118	103	89	111	99	91	97	94	66	95	102	98	98
6,000-6,999	93	106	116	111	96	116	104	98	83	90	57	88	105	104	108
7,000-7,999	100	97	129	113	109	116	112	89	162	130	30	121	104	104	105
8,000-8,999	96	94	153	124	101	113	106	99	131	117	44	111	97	103	114
9,000-9,999	98	96	158	128	103	109	106	90	102	97	45	84	95	100	113
10,000-14,999	93	101	162	132	109	131	119	83	130	110	35	97	92	104	124
15,000 and over	86	133	202	168	145	142	144	82	125	106	28	115	86	121	117
Rural nonfarm 7/	101	112	98	105	79	105	91	122	111	116	65	106	101	103	104
Under 3,000	88	88	91	89	58	83	69	163	63	107	81	87	104	87	120
3,000-4,999	103	104	67	85	80	103	90	170	98	129	107	87	109	99	119
5,000-6,999	104	113	95	104	86	108	96	127	123	125	49	123	100	104	106
7,000-9,999	105	111	105	108	79	108	92	95	111	104	52	113	101	110	87
10,000 and over	92	137	126	132	82	106	92	79	159	124	55	101	93	103	92
Farm 7/	93	147	75	110	98	79	90	179	92	130	68	124	107	106	94
Under 3,000	82	149	60	104	116	69	95	225	31	116	115	112	94	103	119
3,000-4,999	93	159	59	108	82	63	74	152	103	125	58	121	112	114	74
5,000-6,999	85	122	79	100	109	74	94	200	123	157	52	123	99	100	90
7,000-9,999	104	214	69	141	78	101	88	182	65	117	58	135	111	100	109
10,000 and over	106	105	133	120	115	109	112	146	78	108	77	129	102	109	95

1/ Derived from 1965 Household Food Consumption Survey data on per capita use of individual foods (21 meals at home equivalent to 1 person). Indexes are based on quantities of products reported in the survey, adjusted to primary foods and weighted by 1957-59 U.S. average retail prices. 2/ Family money income in 1964 after income taxes. 3/ Includes melons, soups, and baby food, cocoa, tea, and certain other foods not listed separately. 4/ Includes lamb, mutton, and game. 5/ Includes turkey. 6/ Includes skim milk, buttermilk, and flavored milks. Excludes amounts used in commercially processed foods. 7/ Includes data for households not classified by income. 8/ In addition to categories listed, includes the fruit in bakery products, jams, and jellies.

Table 12.--North Central: Cross-sectional indexes of per person food use, by urbanization and family income, Spring 1965 1/

Urbanization and income group 2/ (dollars)	Total			Animal products										
				Red meats			Poultry				Dairy products			
	All food	Animal products	Crop products 3/	Beef	Pork	Total 4/	Chicken	Total 5/	Fishery products	Eggs	Fresh fluid milks 6/	Processed, including butter	Total including butter	Ex-cluding butter	Animal fat (including butter)
	Index: U.S. average = 100														
North Central average 7/	103	105	100	111	109	108	92	91	81	99	110	106	108	107	118
Under 1,000	93	93	92	96	118	101	82	76	57	119	78	89	84	82	128
1,000-1,999	97	100	92	92	118	98	104	101	123	111	95	96	96	95	107
2,000-2,999	102	104	99	101	120	108	89	86	102	112	105	99	102	101	109
3,000-3,999	95	98	93	102	105	100	77	83	56	103	108	98	103	102	113
4,000-4,999	98	98	98	104	98	97	76	77	78	102	107	101	104	105	91
5,000-5,999	101	104	98	108	110	106	94	94	77	100	111	106	108	106	127
6,000-6,999	102	105	98	114	113	113	95	92	86	100	107	97	102	100	115
7,000-7,999	105	106	103	109	114	110	96	93	83	93	124	100	112	111	107
8,000-8,999	107	110	102	128	102	118	100	101	69	97	109	115	112	111	110
9,000-9,999	102	103	101	118	96	107	78	74	57	91	114	118	116	114	121
10,000-14,999	111	110	111	114	104	109	98	105	89	91	117	126	122	120	129
15,000 and over	112	113	110	124	106	115	110	103	67	91	120	129	125	119	170
Urban 7/	101	103	97	109	108	108	98	98	78	94	107	100	104	102	107
Under 1,000	86	91	79	97	130	106	104	96	37	107	72	59	69	70	72
1,000-1,999	93	97	88	96	115	100	110	108	122	102	78	89	84	83	86
2,000-2,999	98	100	95	89	129	106	87	85	117	103	98	87	92	92	90
3,000-3,999	87	89	85	94	103	94	79	90	51	92	92	81	87	85	104
4,000-4,999	94	95	94	96	103	97	74	74	77	96	104	98	100	102	75
5,000-5,999	100	103	95	107	111	107	102	103	72	97	106	101	103	102	108
6,000-6,999	100	104	93	115	111	113	98	96	86	95	102	95	99	96	115
7,000-7,999	102	104	99	106	112	108	97	96	81	93	121	98	109	109	99
8,000-8,999	102	108	96	129	93	116	109	111	60	91	109	103	106	105	106
9,000-9,999	98	98	98	107	89	99	90	84	50	93	113	109	111	109	117
10,000-14,999	110	108	112	113	103	108	104	111	83	88	124	121	118	116	120
15,000 and over	113	113	112	122	107	115	120	113	61	90	122	130	126	121	160
Rural nonfarm 7/	104	103	106	108	103	103	82	80	87	102	115	109	112	112	110
Under 1,000	91	80	106	74	91	78	62	58	81	127	67	91	79	72	156
1,000-1,999	100	98	104	84	112	91	95	94	149	120	103	90	97	98	94
2,000-2,999	110	107	114	111	108	106	109	101	74	126	105	120	113	112	118
3,000-3,999	103	102	103	105	108	104	71	76	64	105	122	104	113	115	89
4,000-4,999	94	92	98	107	71	90	81	83	74	97	106	89	97	100	73
5,000-5,999	100	100	101	99	103	97	84	82	86	99	115	109	112	110	137
6,000-6,999	105	103	107	109	112	108	85	80	90	106	118	92	105	104	100
7,000-9,999	112	110	114	120	115	115	78	73	88	95	121	122	122	122	105
10,000 and over	117	117	117	122	99	109	88	95	145	95	138	136	137	136	130
Farm 7/	110	116	103	126	111	117	77	74	77	126	121	137	129	123	201
Under 1,000	108	110	104	115	117	111	57	53	72	133	87	151	120	116	214
1,000-1,999	102	109	92	89	131	99	98	91	94	127	132	123	127	125	180
2,000-2,999	107	113	98	133	93	115	75	70	77	125	132	116	124	122	168
3,000-3,999	102	109	93	115	100	105	87	80	54	127	119	132	126	121	195
4,000-4,999	115	116	112	122	118	118	72	74	86	130	119	136	127	124	176
5,000-5,999	112	116	106	130	110	120	75	74	80	122	124	128	126	119	207
6,000-6,999	117	122	110	121	130	121	105	97	74	139	119	145	132	128	188
7,000-9,999	122	126	116	149	112	132	80	80	81	130	123	149	136	129	220
10,000 and over	103	110	94	125	96	110	41	44	77	111	115	153	135	126	232

Continued

Table 12.--North Central: Cross-sectional indexes of per person food use, by urbanization and family income, Spring 1965 1/- Continued

Urbanization and income group 2/ (dollars)	Crop food products														
		Fruit (excluding melons)			Vegetables			Potatoes and sweetpotatoes							
	Vegetable oils	Fresh	Processed	Total 8/	Fresh	Processed	Total	Fresh	Processed	Total	Dry beans and peas	Tree-nuts and peanuts	Cereal products	Sugar and sirup	Coffee
	Index: U.S. average = 100														
North Central average 7/	93	108	101	104	89	101	94	113	133	124	85	107	94	101	105
Under 1,000	79	106	61	83	92	86	89	119	89	102	143	74	116	92	121
1,000-1,999	85	117	71	94	96	90	94	123	67	92	116	62	92	93	122
2,000-2,999	95	101	89	95	94	92	93	114	108	110	153	79	105	99	130
3,000-3,999	86	104	66	85	80	98	88	127	105	115	125	92	98	94	114
4,000-4,999	96	101	88	94	79	102	89	131	133	132	108	106	99	102	101
5,000-5,999	94	103	91	97	84	98	90	118	120	119	80	115	96	98	104
6,000-6,999	91	111	98	104	88	97	92	108	129	120	89	109	91	96	94
7,000-7,999	98	114	110	112	88	100	93	109	124	118	59	121	95	106	107
8,000-8,999	107	97	113	105	89	109	98	107	161	137	59	110	92	103	102
9,000-9,999	94	96	117	107	91	100	94	109	158	137	51	124	89	106	100
10,000-14,999	98	130	133	131	97	111	103	99	193	152	54	121	92	116	94
15,000 and over	77	110	149	130	134	113	126	87	132	115	40	109	91	120	95
Urban 7/	93	97	103	100	82	104	92	100	131	117	77	100	91	99	104
Under 1,000	87	68	33	50	87	101	93	97	73	84	144	51	94	75	111
1,000-1,999	83	91	78	85	87	105	95	95	68	80	96	57	85	84	124
2,000-2,999	95	83	90	87	79	100	88	98	129	116	163	63	104	90	137
3,000-3,999	85	76	68	72	60	107	80	92	103	98	97	65	96	86	106
4,000-4,999	94	79	80	80	72	118	91	120	103	110	108	89	96	98	108
5,000-5,999	94	90	93	91	75	102	87	109	118	114	82	104	93	95	107
6,000-6,999	88	103	97	100	80	98	88	101	121	112	80	110	87	91	88
7,000-7,999	98	107	101	104	83	95	88	105	123	116	58	116	94	105	102
8,000-8,999	102	79	110	95	78	112	93	93	153	127	43	95	87	98	97
9,000-9,999	90	88	117	103	82	95	88	96	175	140	47	116	86	103	95
10,000-14,999	101	126	140	133	94	113	102	90	190	146	54	116	92	112	96
15,000 and over	79	113	154	134	136	116	127	84	125	107	42	100	90	124	96
Rural nonfarm 7/	100	125	101	113	100	96	98	127	142	136	96	125	98	103	116
Under 1,000	83	140	115	127	73	57	66	93	102	98	145	91	152	100	153
1,000-1,999	105	158	76	116	106	82	95	150	45	91	121	69	98	105	152
2,000-2,999	103	143	91	117	139	87	116	133	113	122	112	109	103	115	143
3,000-3,999	97	126	67	96	102	101	102	144	111	126	151	124	100	97	122
4,000-4,999	101	103	95	99	75	81	78	141	175	160	123	127	99	101	97
5,000-5,999	96	122	90	105	93	94	94	130	116	123	73	143	98	100	102
6,000-6,999	104	124	99	111	104	96	101	119	149	136	107	100	100	106	110
7,000-9,999	108	128	129	129	106	110	108	119	148	135	77	142	96	109	118
10,000 and over	99	148	111	129	116	92	105	132	295	223	49	162	97	108	98
Farm 7/	80	140	84	112	109	85	99	159	118	136	102	113	105	111	91
Under 1,000	61	149	62	105	123	85	106	192	103	142	164	114	121	111	105
1,000-1,999	61	141	47	93	118	62	93	169	94	127	159	67	103	103	88
2,000-2,999	86	120	83	101	103	69	88	150	82	112	165	103	111	115	92
3,000-3,999	75	126	61	93	94	68	83	187	91	133	134	91	101	108	98
4,000-4,999	89	169	98	133	115	90	104	152	151	152	84	118	107	119	91
5,000-5,999	90	134	81	107	119	90	107	136	144	140	90	110	107	114	87
6,000-6,999	74	155	100	127	108	94	92	144	148	146	130	145	101	125	98
7,000-9,999	96	146	117	131	116	108	112	182	120	147	62	140	111	120	113
10,000 and over	73	127	90	108	88	90	88	149	113	129	42	137	94	95	72

1/ Derived from 1965 Household Food Consumption Survey data on per capita use of individual foods (21 meals at home equivalent to 1 person). Indexes are based on quantities of products reported in the survey, adjusted to primary foods and weighted by 1957-59 U.S. average retail prices. 2/ Family money income in 1964 after income taxes. 3/ Includes melons, soups and baby food, cocoa, tea, and certain other foods not listed separately. 4/ Includes lamb, mutton, and game. 5/ Includes turkey. 6/ Includes skim milk, buttermilk, and flavored milks. Excludes amounts used in commercially processed foods. 7/ Includes data for households not classified by income. 8/ In addition to categories listed, includes the fruit in bakery products, jams, and jellies.

Table 13.--South: Cross-sectional indexes of per person food use, by urbanization and family income, Spring 1965 1/

Urbanization and income group 2/ (dollars)	Total			Animal products											
				Red meat			Poultry				Dairy products				
	All food	Animal products	Crop products 3/	Beef	Pork	Total 4/	Chicken	Total 5/	Fish	Eggs	Fresh fluid milks 6/	Processed, including butter	Total including butter	Total excluding butter	Animal fat (including butter)
	Index: U.S. average = 100														
South average 7/	95	94	97	86	105	92	112	108	118	106	85	88	86	89	75
Under 1,000	75	75	75	54	94	66	108	102	131	96	60	68	64	65	118
1,000-1,999	80	79	82	58	96	71	105	101	118	101	68	76	72	75	86
2,000-2,999	80	78	83	59	97	71	96	90	92	102	70	76	73	76	90
3,000-3,999	84	85	82	69	107	82	116	113	101	99	76	70	73	75	75
4,000-4,999	98	98	97	90	115	98	117	112	117	115	85	83	84	88	67
5,000-5,999	99	97	100	93	108	96	106	101	120	108	92	90	91	94	73
6,000-6,999	104	102	105	106	107	105	112	105	109	113	91	96	94	98	53
7,000-7,999	109	108	111	113	106	108	119	111	174	108	94	99	97	100	60
8,000-8,999	109	106	112	107	108	105	123	126	115	111	107	97	102	104	75
9,000-9,999	113	110	117	120	111	113	125	120	99	101	107	105	106	111	42
10,000-14,999	121	120	122	120	116	119	114	112	149	116	109	131	120	123	78
15,000 and over	115	112	119	123	99	109	129	147	144	111	99	105	102	104	70
Urban 7/	97	97	98	94	105	97	110	107	120	106	85	90	88	90	61
Under 1,000	81	80	82	61	99	72	122	115	110	105	60	79	70	71	77
1,000-1,999	82	84	81	69	91	76	115	113	102	102	66	87	77	79	68
2,000-2,999	85	83	88	67	95	78	101	94	91	112	79	78	78	80	79
3,000-3,999	81	83	78	71	104	82	111	106	92	99	75	67	71	74	55
4,000-4,999	97	96	98	91	116	100	108	105	135	112	75	79	77	81	45
5,000-5,999	100	100	101	96	113	101	110	104	128	106	91	94	92	95	72
6,000-6,999	104	101	107	113	105	109	95	89	100	114	83	95	90	93	42
7,000-7,999	110	110	110	122	105	113	114	108	194	107	89	97	93	97	47
8,000-8,999	108	103	114	109	97	102	114	121	106	103	103	99	101	102	79
9,000-9,999	111	111	112	119	115	114	132	126	99	102	107	103	105	110	42
10,000-14,999	118	118	118	125	117	120	107	105	137	117	110	123	117	120	70
15,000 and over	109	107	112	122	85	107	102	129	168	99	94	98	96	98	56
Rural nonfarm 7/	92	90	96	78	103	85	104	99	116	106	82	87	84	87	86
Under 1,000	71	71	71	51	89	62	96	89	149	92	56	61	58	58	140
1,000-1,999	78	73	84	48	97	64	85	80	129	98	61	68	65	68	87
2,000-2,999	75	70	80	52	94	64	87	81	80	93	55	75	65	69	88
3,000-3,999	85	85	85	71	104	81	120	121	123	96	69	70	70	72	87
4,000-4,999	98	100	96	91	112	96	125	116	87	122	97	92	94	98	84
5,000-5,999	94	90	99	86	93	86	89	84	99	118	93	85	89	91	70
6,000-6,999	101	101	101	97	106	98	117	111	121	106	99	96	98	102	56
7,000-9,999	109	106	113	102	115	103	113	105	132	112	108	101	104	108	68
10,000 and over	127	119	138	116	102	115	105	107	147	121	108	143	126	127	100
Farm 7/	91	91	91	71	115	84	108	103	117	106	95	80	87	89	123
Under 1,000	75	75	74	46	95	62	98	96	132	88	77	69	73	74	153
1,000-1,999	81	82	80	53	106	70	101	96	133	103	90	66	78	80	139
2,000-2,999	78	80	74	50	112	70	102	97	121	90	83	74	78	79	132
3,000-3,999	90	87	94	60	125	80	100	93	86	106	99	78	88	89	134
4,000-4,999	97	97	98	84	120	93	104	106	117	110	100	80	90	91	138
5,000-5,999	97	98	95	90	117	95	107	102	136	96	99	85	92	95	94
6,000-6,999	112	111	112	103	124	108	157	146	115	131	103	94	98	102	103
7,000-9,999	113	111	115	99	125	105	130	126	113	135	115	102	109	113	88
10,000 and over	116	118	114	108	133	118	115	116	133	132	111	115	113	116	85

Continued

Table 13.--South: Cross-sectional indexes of per person food use, by urbanization and family income, Spring 1965 1/ - Continued

Urbanization and income group 2/ (dollars)	Crop food products														
		Fruit (excluding melons)			Vegetables			Potatoes and sweetpotatoes							
	Vege-table oils	Fresh	Processed	Total 8/	Fresh	Processed	Total	Fresh	Processed	Total	Dry beans and peas	Tree-nuts and peanuts	Cereal products	Sugar and sirup	Coffee
	Index: U.S. average = 100														
South average 7/	109	83	79	81	113	90	103	94	63	77	151	93	107	102	93
Under 1,000	71	67	44	55	99	46	76	85	13	45	195	66	116	78	88
1,000-1,999	89	67	46	56	104	60	85	90	18	50	220	68	125	86	91
2,000-2,999	91	64	53	59	97	55	79	87	39	60	226	78	115	92	84
3,000-3,999	94	64	52	58	88	68	79	101	36	64	177	77	107	95	80
4,000-4,999	118	85	75	80	111	88	101	106	42	70	170	98	109	109	99
5,000-5,999	117	88	85	86	113	105	109	96	66	79	114	87	102	104	88
6,000-6,999	120	83	94	88	125	110	118	94	92	93	117	110	104	109	93
7,000-7,999	131	96	91	93	127	116	122	99	103	101	100	109	104	120	103
8,000-8,999	125	98	123	111	119	117	118	87	157	126	85	108	98	119	98
9,000-9,999	139	114	118	116	138	129	134	107	110	109	82	124	99	106	119
10,000-14,999	126	133	138	135	142	139	141	90	114	103	77	119	96	114	116
15,000 and over	126	111	136	124	152	116	136	72	115	96	65	131	96	121	95
Urban 7/	110	80	91	86	106	103	105	86	74	79	127	92	100	102	98
Under 1,000	86	77	69	73	105	69	89	71	17	41	165	75	105	75	93
1,000-1,999	99	58	55	56	84	78	81	76	28	49	195	58	116	86	89
2,000-2,999	97	69	73	71	93	64	80	76	64	69	197	85	107	97	90
3,000-3,999	92	58	57	58	74	76	75	95	33	60	139	71	95	91	77
4,000-4,999	116	74	85	80	110	99	105	96	48	69	162	102	107	104	102
5,000-5,999	116	83	93	88	107	115	110	87	62	73	102	86	99	103	93
6,000-6,999	117	88	112	100	111	123	116	75	107	93	116	101	97	106	101
7,000-7,999	125	87	98	93	109	126	117	97	102	100	101	113	103	121	111
8,000-8,999	119	100	125	113	121	122	122	84	175	135	72	105	96	118	97
9,000-9,999	134	101	119	111	118	135	125	103	106	105	67	123	94	104	119
10,000-14,999	122	117	137	127	126	142	133	86	109	99	82	114	94	107	123
15,000 and over	116	99	126	113	151	111	134	72	109	93	43	124	89	109	105
Rural nonfarm 7/	108	84	68	76	119	78	101	102	55	76	176	95	114	102	90
Under 1,000	62	59	29	44	88	32	64	89	20	50	230	68	122	77	87
1,000-1,999	81	72	43	57	120	46	88	98	12	49	241	86	135	83	99
2,000-2,999	93	54	37	45	104	49	80	93	21	52	267	73	121	88	84
3,000-3,999	95	61	46	54	89	64	78	102	46	71	234	89	117	96	82
4,000-4,999	122	104	64	84	101	81	92	120	38	74	160	100	107	113	96
5,000-5,999	120	95	75	85	115	95	106	111	78	92	122	82	106	103	78
6,000-6,999	118	65	80	73	133	101	119	109	79	92	93	121	109	109	84
7,000-9,999	135	110	98	104	148	103	128	99	112	105	105	111	104	116	96
10,000 and over	136	161	168	165	166	139	154	84	125	107	75	145	103	148	93
Farm 7/	87	92	49	70	133	52	98	117	32	69	205	80	123	103	81
Under 1,000	56	66	30	48	122	32	83	109	5	51	171	36	125	83	81
1,000-1,999	68	80	31	55	120	43	87	113	10	55	241	56	125	92	73
2,000-2,999	53	85	31	58	95	40	71	108	6	51	212	67	121	84	65
3,000-3,999	82	92	44	68	148	45	103	123	16	63	219	91	137	109	83
4,000-4,999	99	89	55	72	138	53	101	119	33	71	239	73	121	121	90
5,000-5,999	92	101	58	79	141	58	105	106	48	73	170	99	111	113	78
6,000-6,999	126	123	56	89	172	76	130	134	62	93	223	112	121	124	85
7,000-9,999	135	122	89	105	140	84	115	123	105	113	160	115	122	122	100
10,000 and over	142	125	109	117	160	90	129	109	118	114	110	80	102	109	86

1/ Derived from 1965 Household Food Consumption Survey data on per capita use of individual foods (21 meals at home equivalent to 1 person). Indexes are based on quantities of products reported in the survey, adjusted to primary foods and weighted by 1957-59 U.S. average retail prices. 2/ Family money income in 1964 after income taxes. 3/ Includes melons, soups and baby food, cocoa, tea, and certain other foods not listed separately. 4/ Includes lamb, mutton, and game. 5/ Includes turkey. 6/ Includes skim milk, buttermilk, and flavored milks. Excludes amounts used in commercially processed foods. 7/ Includes data for households not classified by income. 8/ In addition to categories listed, includes the fruit in bakery products, jams, and jellies.

Table 14.--West: Cross-sectional indexes of per person food use, by urbanization and family income, Spring, 1965 1/

Urbanization and income group 2/ (dollars)	Total			Animal products											
				Red meat			Poultry				Dairy products				
	All food	Animal products	Crop products 3/	Beef	Pork	Total 4/	Chicken	Total 5/	Fishery products	Eggs	Fresh fluid milks 6/	Processed, including butter	Total including butter	Total excluding butter	Animal fat (including butter)
	Index: U.S. average = 100														
West, average 7/	102	102	102	110	88	103	96	97	89	105	97	108	103	104	80
Under 1,000	95	97	93	77	103	96	125	115	107	112	82	93	88	86	103
1,000-1,999	93	91	96	96	82	91	100	99	61	125	79	90	85	86	78
2,000-2,999	92	93	91	93	99	97	100	96	88	93	69	91	80	79	102
3,000-3,999	97	95	100	94	94	96	103	105	104	105	77	97	87	88	65
4,000-4,999	94	93	95	102	83	95	110	105	61	108	86	92	89	92	51
5,000-5,999	103	105	100	116	89	108	88	91	89	118	99	107	104	106	63
6,000-6,999	100	101	100	109	81	99	111	106	87	102	103	106	104	107	67
7,000-7,999	107	104	111	114	91	104	82	88	84	101	108	115	112	114	72
8,000-8,999	102	101	102	119	81	104	79	78	103	102	99	110	105	106	76
9,000-9,999	106	102	113	107	87	100	86	87	94	87	109	122	116	115	104
10,000-14,999	109	111	105	117	85	108	100	106	98	104	119	124	121	122	100
15,000 and over	124	126	122	136	101	130	91	85	168	108	119	144	132	127	160
Urban 7/	102	102	102	109	88	103	96	97	94	104	97	108	103	104	78
Under 1,000	95	97	92	75	105	97	131	121	108	104	78	98	89	87	97
1,000-1,999	93	91	95	98	80	93	106	106	64	127	74	85	80	82	48
2,000-2,999	91	90	93	90	96	96	91	88	96	92	71	88	80	80	85
3,000-3,999	95	91	99	90	86	93	114	108	92	96	73	93	83	84	62
4,000-4,999	92	92	91	99	85	94	120	114	61	108	84	85	85	88	42
5,000-5,999	105	107	101	119	94	111	90	91	93	120	99	113	106	109	62
6,000-6,999	100	101	99	112	80	101	109	105	88	103	101	105	103	105	67
7,000-7,999	106	102	112	111	92	103	78	86	88	100	106	114	110	113	69
8,000-8,999	101	100	103	116	80	103	76	76	109	99	99	106	103	103	83
9,000-9,999	107	103	113	108	88	101	88	89	91	87	110	125	118	117	104
10,000-14,999	108	110	105	116	82	107	99	105	97	101	120	125	123	123	99
15,000 and over	126	126	125	128	105	129	89	83	189	106	116	147	131	128	150
Rural nonfarm 7/	95	95	96	99	84	91	96	99	81	106	92	105	98	100	84
Under 3,000	88	89	87	92	88	89	102	95	58	104	73	95	84	81	149
3,000-4,999	99	95	105	91	92	89	61	81	109	118	90	112	101	105	81
5,000-6,999	95	94	96	98	76	88	97	104	83	101	101	98	99	103	57
7,000-9,999	100	104	95	121	87	105	111	103	60	101	98	120	109	114	48
10,000 and over	105	103	106	106	91	99	119	110	105	105	129	89	109	107	132
Farm 7/	115	120	109	149	102	130	98	92	71	136	112	122	117	116	130
Under 3,000	111	117	104	118	132	121	134	127	70	140	103	114	109	102	178
3,000-4,999	123	130	114	181	120	158	74	69	43	133	103	139	117	118	91
5,000-6,999	108	107	109	118	83	106	104	97	64	131	120	108	114	114	119
7,000-9,999	112	115	108	147	73	118	71	66	106	121	119	126	123	124	117
10,000 and over	128	143	107	199	120	164	100	99	68	168	111	143	127	120	199

Continued

Table 14--West: Gross-sectional indexes of per person food use, by urbanization and family income, Spring, 1965 1/ - Continued

Urbanization and income group 2/ (dollars)	Crop food products														
		Fruit (excluding melons)			Vegetables			Potatoes and sweetpotatoes							
	Vegetable oils	Fresh	Processed	Total 8/	Fresh	Processed	Total	Fresh	Processed	Total	Dry beans and peas	Tree-nuts and peanuts	Cereal products	Sugar and sirup	Coffee
	Index: U.S. average = 100														
West, average 7/	100	119	111	115	102	108	105	83	108	97	82	115	96	94	94
Under 1,000	80	91	81	86	104	106	105	79	109	95	82	129	97	102	63
1,000-1,999	82	164	92	128	114	83	101	95	34	61	121	71	88	72	113
2,000-2,999	84	121	101	111	89	96	92	92	57	73	112	83	93	78	89
3,000-3,999	102	96	98	97	90	95	92	81	119	102	114	106	96	86	139
4,000-4,999	103	90	83	87	88	113	99	97	79	87	93	117	103	95	85
5,000-5,999	103	117	111	114	98	102	100	78	93	87	89	124	96	93	87
6,000-6,999	103	107	116	112	96	117	105	88	86	87	62	108	97	97	79
7,000-7,999	117	127	119	123	107	114	110	88	172	135	69	125	105	104	92
8,000-8,999	106	123	100	112	99	102	100	82	99	92	73	138	100	96	89
9,000-9,999	98	120	141	131	116	121	119	89	183	142	73	123	92	92	99
10,000-14,999	94	137	129	133	104	112	107	74	119	99	69	117	95	98	82
15,000 and over	101	168	148	157	154	117	138	58	171	121	40	173	84	107	109
Urban 7/	100	122	111	116	103	109	106	79	106	94	74	116	96	93	94
Under 1,000	82	76	85	81	101	112	106	76	110	95	74	137	93	102	65
1,000-1,999	89	161	90	125	119	85	104	83	42	60	80	80	83	67	120
2,000-2,999	90	132	112	122	90	97	93	84	55	68	97	79	96	74	86
3,000-3,999	105	101	88	95	86	93	89	73	117	97	80	106	97	82	154
4,000-4,999	96	86	83	84	89	113	99	93	67	78	89	111	95	88	84
5,000-5,999	105	122	106	114	105	104	105	78	83	81	97	127	96	92	94
6,000-6,999	104	105	112	109	97	115	105	83	81	82	63	107	97	95	77
7,000-7,999	116	131	121	126	105	114	109	85	169	132	69	119	106	104	92
8,000-8,999	103	132	97	114	100	105	102	79	104	93	73	137	104	97	86
9,000-9,999	100	123	142	133	116	123	119	89	184	142	69	125	93	92	97
10,000-14,999	92	137	130	134	103	112	107	72	120	99	63	120	95	97	81
15,000 and over	106	172	149	160	155	127	143	52	187	128	31	182	84	104	113
Rural nonfarm 7/	94	98	110	104	90	97	93	95	99	97	123	107	96	95	87
Under 3,000	55	125	71	98	94	80	88	117	45	76	208	69	91	86	99
3,000-4,999	117	72	107	90	96	108	102	100	123	113	194	120	119	112	80
5,000-6,999	94	101	137	119	69	111	87	87	115	103	46	107	95	98	67
7,000-9,999	113	70	108	89	100	87	94	78	123	105	60	146	82	84	107
10,000 and over	109	133	136	134	127	87	109	68	93	82	130	139	81	99	111
Farm 7/	106	135	114	124	110	96	104	130	121	125	101	120	104	112	92
Under 3,000	101	161	89	124	116	97	107	132	67	96	99	76	107	99	79
3,000-4,999	108	160	113	136	91	100	95	153	145	149	97	143	115	121	109
5,000-6,999	104	124	124	124	115	90	104	106	144	127	112	133	105	109	84
7,000-9,999	119	103	115	109	118	95	108	143	135	139	134	165	96	113	73
10,000 and over	94	152	116	134	121	100	112	123	106	114	63	52	93	122	97

1/ Derived from 1965 Household Food Consumption Survey data on per capita use of individual foods (21 meals at home equivalent to 1 person). Indexes are based on quantities of products reported in the survey, adjusted to primary foods and weighted by 1957-59 U.S. average retail prices. 2/ Family money income in 1964 after income taxes. 3/ Includes melons, soups and baby food, cocoa, tea, and certain other foods not listed separately. 4/ Includes lamb, mutton, and game. 5/ Includes turkey. 6/ Includes skim milk, buttermilk, and flavored milks. Excludes amounts used in commercially processed foods. 7/ Includes data for households not classified by income. 8/ In addition to categories listed, includes the fruit in bakery products, jams, and jellies.

Table 15.--United States: Cross-sectional indexes of per person food use, by income, urbanization and region, Spring 1955 1/

Income 2/ (dollars), urbanization, and region	Total			Animal products												
				Red meat			Poultry		Fish-ery prod-ucts	Eggs	Dairy products					
	All food	Animal prod-ucts	Crop prod-ucts 3/	Beef	Pork	Total 4/	Chicken	Total 5/			Fresh fluid milks 6/	Proc-essed, includ-ing butter	Total: In-clud-ing butter	Total: Ex-clud-ing butter	Animal fats (in-cluding butter)
	Index: U.S. average = 100															
U.S. average 7/	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Under 1,000	81	80	83	55	87	67	91	82	93	94	89	78	84	80	145
1,000-1,999	87	86	88	72	98	81	110	100	91	95	81	80	80	79	113
2,000-2,999	94	94	95	88	106	95	97	92	104	96	89	90	90	91	94
3,000-3,999	97	95	99	95	98	96	92	90	95	98	96	94	95	97	84
4,000-4,999	102	102	102	108	101	104	94	96	92	99	110	98	104	106	85
5,000-5,999	105	106	105	112	100	109	100	109	92	101	109	102	106	107	89
6,000-7,999	110	110	109	116	105	112	106	113	120	105	108	111	110	110	94
8,000-9,999	111	110	113	123	94	110	107	111	88	108	107	124	115	112	120
10,000 and over	119	121	118	126	96	119	112	131	100	117	113	140	126	120	136
Urban	102	103	101	106	99	106	110	113	105	97	98	100	99	99	90
Rural nonfarm	95	92	100	91	101	92	82	82	91	99	93	94	93	94	95
Rural farm	100	102	95	93	104	92	96	81	85	115	125	110	118	115	158
Northeast	101	103	99	103	87	102	109	117	108	93	105	103	104	102	100
North Central	107	109	105	121	108	111	92	95	88	104	114	117	116	111	113
South	89	86	93	70	108	83	105	93	104	97	82	76	79	81	95
West	109	108	110	126	89	113	87	92	100	113	105	113	109	111	84

Income 2/ (dollars), urbanization, and region	Fruits and vegetables (excluding baby foods and soups)														
	Fruit, excluding melons									Vegetables					
			Processed								Processed				
	Melons	Fresh	Canned: Fruit	Canned: Juice	Frozen	Chilled juice	Dried	Total 8/	Total	Fresh	Canned	Frozen	Total	Total
	Index: U.S. average = 100														
U.S. average 7/	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Under 1,000	33	82	45	60	31	93	87	49	68	105	56	20	49	84
1,000-1,999	113	88	67	83	29	38	107	61	76	102	75	39	66	88
2,000-2,999	110	91	79	95	50	116	106	79	85	97	96	55	87	93
3,000-3,999	101	94	89	98	70	101	90	90	92	94	104	84	100	96
4,000-4,999	89	100	110	97	114	118	92	107	103	94	106	108	107	99
5,000-5,999	78	102	122	119	134	55	105	121	110	98	110	110	111	103
6,000-7,999	134	108	141	123	146	136	94	134	119	97	117	153	126	108
8,000-9,999	79	114	137	133	227	110	151	164	136	106	115	170	129	115
10,000 and over	118	137	152	107	213	264	112	155	145	121	106	258	141	128
Urban	119	96	118	110	132	127	101	119	106	98	108	130	115	104
Rural nonfarm	74	102	89	86	65	100	89	84	94	97	98	73	95	95
Rural farm	65	113	60	61	39	14	107	57	89	117	66	28	59	95
Northeast	103	100	102	121	132	141	98	115	107	99	95	136	107	102
North Central	81	117	117	96	120	105	100	115	116	96	115	94	113	102
South	114	81	71	73	50	105	89	77	79	104	82	66	79	95
West	94	112	132	101	114	36	135	121	116	100	121	136	127	110

Continued

Table 15.--United States: Cross-sectional indexes of per person food use, by income, urbanization and region, Spring 1955 1/--Continued

Income 2/ (dollars), urbanization, and region	Vegetable oils	Potatoes and sweetpotatoes: Fresh	Potatoes and sweetpotatoes: Processed	Potatoes and sweetpotatoes: Total	Soup and baby food	Dry beans and peas	Tree-nuts and peanuts	Flour and cereal products	Sugar and syrup: Sugar 3/	Sugar and syrup: Other 10/	Sugar and syrup: Total	Coffee	Tea	Cocoa
	Index: U.S. average = 100													
U.S. average 7/	100	100	100	100	100	100	100	100	100	100	100	100	100	100
Under 1,000	68	90	18	80	83	193	48	114	119	72	84	89	85	79
1,000-1,999	80	100	46	92	74	170	58	106	119	85	94	87	104	80
2,000-2,999	92	105	63	99	86	142	93	104	108	92	96	92	96	109
3,000-3,999	108	108	82	104	114	98	97	101	104	103	103	92	91	92
4,000-4,999	108	102	114	103	128	73	113	97	97	104	102	101	92	102
5,000-5,999	111	96	114	99	118	79	106	100	98	106	103	100	121	120
6,000-7,999	113	100	143	106	112	61	119	97	98	112	107	110	104	103
8,000-9,999	112	83	154	98	109	50	135	91	91	120	113	113	72	116
10,000 and over	106	85	214	103	134	35	128	91	77	122	111	116	61	140
Urban	105	90	126	95	121	73	98	93	86	98	95	100	95	90
Rural nonfarm	106	109	89	106	82	132	99	107	107	103	104	97	96	109
Rural farm	69	122	42	111	42	144	86	112	147	104	114	80	92	113
Northeast	95	105	104	105	117	53	104	91	81	95	91	102	104	105
North Central	98	114	140	118	115	62	104	99	104	112	110	110	78	102
South	98	87	55	82	60	177	78	109	115	92	98	86	126	89
West	122	89	120	93	147	104	126	96	91	104	101	117	70	115

1/ Derived from 1955 Household Food Consumption Survey data on household use of individual foods (21 meals at home equivalent to 1 person). Indexes are based on quantities of products reported in the survey adjusted to primary foods and weighted by U.S. average 1947-49 retail prices. Rounding in basic data may cause weighted averages to depart from 100 when quantities used are small. Data by income classifications are adjusted to incorporate information for 1-person households.
2/ Family money income in 1954 after income taxes.
3/ Includes foods other than those listed separately.
4/ Includes lamb, mutton, and game.
5/ Includes turkey.
6/ Includes skim milk, buttermilk, and flavored milks. Excludes amounts used in commercially processed foods.
7/ Includes data for households not classified by income.
8/ In addition to categories listed, includes the fruit in bakery products, jams, and jellies.
9/ White and brown sugar used as such; excludes amounts in processed foods.
10/ Includes sweetening ingredients of major mixed foods (bakery products, soft drinks, candy, jams and jellies, etc.)

Over the 10-year period, the Northeast region replaced the West as the largest per capita consumer of food, but little variation remained among the Northeast, North Central and the West. The South remained the lowest consumer, although it moved up from 11 percent below the U.S. average in 1955 to only 5 percent below in 1965. The range of difference from the highest to the lowest regional consumption rate was cut in half in this 10-year period.

Consumption changes are related to the uneven regional changes in income. Average income of surveyed households in the South increased about two-thirds from 1954 to 1964, in the West and North Central regions less than a third, while in the Northeast income rose only slightly faster than the U.S. average. Regional income relationships as reported by the households surveyed follow:

	U.S. average=100		Increase
	1954	1964	
U.S. average	100	100	42%
Northeast	107	109	46%
North Central	114	104	31%
South	73	86	67%
West	119	108	30%

Data from the U.S. Bureau of Census do not show as much regional variation in income changes between 1954 and 1964 as do the survey data. 8/ Since variation in consumption tends to follow the pattern of the income relations found in the surveys, the regional variations in consumption shown by the survey data may misrepresent the true regional variation.

Northeast Region--Per capita consumption of all food in the Northeast region was 4 percent above the U.S. average rate in 1965, having been only slightly above average in 1955. Persons in urban households, who made up nearly three-fourths of the population of this region, increased their food use to a rate 5 percent above the U.S. average. Although the rural nonfarm consumption rate increased from 1955, it remained slightly under the U.S. average. People on farms made up only 2 percent of the Northeast household population and thus had very little influence on the pattern of this region. Although less reliable because of the small sample, their reported consumption rate was as high as in the cities, but down from the very large quantity reported for 1955.

North Central Region--Decreased per capita consumption, from 7 percent above the U.S. average in 1955 to 3 percent above in 1965, was due mostly to a drop in the urban rate. Urban households, which comprised two-thirds of the population in this region, consumed slightly more food per capita than the U.S. average--and at the same rate as the average for all urban families in 1965. This represented a decline from the 1955 level when urban consumption in the North Central region had been highest of all regions. Persons living on farms (11 percent of the population in the North Central region) continued to consume 10 percent more than the U.S. average. Rural nonfarm consumption increased slightly from 1955. The North Central region remained the only area in which rural nonfarm people consumed more food than the U.S. average.

South--In 1965, Southern households consumed 5 percent less than the U.S. average quantity of food per person, with rural nonfarm and farm households nearly a tenth under the U.S. average. However,

8/ U.S. Bureau of Census data on income cannot be matched precisely with the survey data. It is reported as median income, before taxes, and for all families excluding unrelated individuals. From the survey data mean incomes were estimated. They were after taxes, and for families and single individuals. It appears that the survey obtained a low income average for the South in 1955 and a low income average for the West in 1965. Review of the sample helps to explain these differences. In 1955 there was oversampling of nonwhite and 1-person households in the South. In the West in 1965 there was oversampling of nonwhite households and operators of the smallest farms, and undersampling of farmers with off-farm income. All of these factors would tend to lower average income. Sample appraisal is included in the technical notes of the Household Food Consumption Survey Reports 1-5.

this level represented a great improvement over that in 1955, especially for the rural nonfarm and farm families which had been consuming about 15 percent below the U.S. average rate. A much higher proportion of the survey population continued to live in non-urban areas in the South than in other regions in 1965--43 percent--compared with 34 percent in the North Central, 26 percent in the Northeast, and 15 percent in the West. But, the faster movement of population from rural to urban areas and of low food consumers from the South to other regions as well as inflow of persons from other regions to the South accounted for part of the increase in the South's consumption levels. The average income of households surveyed in the South increased much faster than in any other region.

West--The West represents only 14 percent of the U.S. household population surveyed. Thus, the food consumption pattern of this region has only about half as much influence on the average U.S. consumption rate as each of the other regions. The smaller number sampled, in addition to the wide diversity of the region, implies a lower degree of reliability for the data--this is especially likely for the non-urban segments.

Average food consumption rates for the widely divergent climates and peoples represented--in all the western territory beginning with the Montana-Wyoming-Colorado-New Mexico tier of States (excluding Alaska and Hawaii)--do not clearly represent any one area of the West. The urban pattern, which is largely contributed by the coastal States, is more easily interpreted.

Urban households accounted for 85 percent of the West's survey population in 1965, compared with 70 percent in 1955. A 5-percent drop in the per capita food consumption rate for urban households and a substantial decrease for rural nonfarm households were responsible for the 6-percent overall drop in this region. Part of the decline is associated with the slower rate of increase in average income for the households surveyed in the West compared with the rest of the United States.

In 1955, the food consumption rate for the West had been 9 percent above the U.S. average. So even with a drop of 6 percent, consumption in the West remained at a level 2 percent above the U.S. average. Migration into the West (primarily from the South and North Central regions) likely has been a factor in the West's trend toward average U.S. consumption levels.

Urbanization differences

The range of difference from average U.S. per capita consumption among the 3 urbanization groups (urban, rural nonfarm and farm) was 5 percent in 1965, nearly a third less than in 1955. Persons in farm households consumed 2 percent more than the average for all U.S. households, urban households 1 percent more, and rural nonfarm 3 percent less. Between 1955 and 1965, farm and rural nonfarm consumption per capita increased slightly, largely because of the strong increase in the South where over 40 percent of these families resided. Urban consumption per capita declined slightly. Urban and farm per capita food consumption rates were higher than the U.S. average in all regions except the South, but rural nonfarm people consumed above-average amounts only in the North Central region.

Half of the total U.S. household population lived in urban areas outside the South in 1965. They consumed less food per person than in 1955. In 1955, this group had consumed at a rate 6 percent higher than the U.S. average; in 1965 they used only 3 percent more. Although per capita consumption increased in urban Northeast it dropped in the remaining 2 regions. The per capita consumption rate improved in Southern urban households from 7 percent under average in 1955 to only 3 percent below in 1965.

Half of the 2 percent increase in consumption noted for farm families over the 10-year period is due to the shifting proportion of total farm population to the North Central region where the consumption rate is high, and away from regions where the consumption rate is relatively low. In the North Central region the rural farm per

capita food consumption rate was, and continued to be in 1965, 10 percent higher than the U.S. average. With the overall drop in U.S. farm population, that region's proportion of the total increased 5 percent. The remainder of the consumption increase was caused by a 6 percent improvement in consumption by Southern farm households. These households have dropped in importance but in 1965 still represented 45 percent of the total farm population.

Although the average per capita food consumption rate for rural nonfarm households was 3 percent under the U.S. average in 1965, it represented a 2 percent increase over 1955 when consumption was 5 percent lower than the U.S. average. Consumption rates increased in all regions except the West. The increase was largest in the South. The data indicate that consumption in the West shifted from well above the U.S. average in 1955 to below average in 1965. This decline in relative level of consumption is consistent with the lower rate of increase in income reported by households in the West compared with those in other regions.

Food Commodity Patterns

Commodity Changes Over Time

Although the level of total food consumption, as measured by the Per Capita Food Consumption Index, remained virtually unchanged between 1955 and 1965, the consumption of various food commodities has varied unevenly. Short-term supply situations, developing because of weather conditions or unusual price situations, as well as the long-term trends deriving from general demand changes, affect consumption of each commodity differently.

Annual changes in consumption for the entire civilian population are available from the time-series index for all major food groups. 9/ However, consumption for the April-June period in the 2 years can be compared only for the livestock foods. A tabulation of these data follows:

Per capita consumption 1/	April-June	Annual average
	--1957-59=100--	
1955:		
Meat	100.5	105.7
Poultry	74.3	78.6
Eggs	101.0	103.8
Dairy:		
Excluding butter	103.6	101.1
Including butter	103.9	101.9
Fats, including butter	103.5	106.7
Total livestock products	99.6	101.9
1965:		
Meat	101.0	103.5
Poultry	111.7	121.7
Eggs	86.9	88.1
Dairy:		
Excluding butter	97.5	97.6
Including butter	95.8	96.0
Fats, including butter	81.7	83.4
Total livestock products	98.7	100.7

1/ Quarterly data for livestock products are published regularly in National Food Situation. Series begins 1955.

For livestock products considerable seasonal variation is evident. Undoubtedly seasonal consumption patterns for foods from crops would show at least as much variation, but inadequate information on the stock levels throughout the year (vitally important for these foods) has thus far prevented time-series measurement. 10/

Using time-series data over the 11 year period, 1955 through 1965, per capita consumption of all livestock products in the

9/ Published regularly in National Food Situation. See page 18 for data 1960-68.

10/ The 1965 survey of household food consumption obtained data for 4 seasons, but this information is not available as yet.

April-June period averaged 1-1/2 percent below the average annual rate. Seasonally low rates for meat (-2.6 percent), poultry (-5.4 percent), eggs (-2.7 percent), and animal fats (-2.2 percent) were only partly counteracted by the 1.7 percent seasonally high rate of consumption for dairy products. In comparing these average seasonal variations with the information tabulated above, it is evident that consumption during the periods of the 2 surveys was atypical for each of the individual livestock food groups in at least one of the years. Only livestock products in total approached the average and had the same seasonal variation in each year.

In this section we must confine discussion of commodities to the patterns of use in each of the 2 years. Because of changes in consumption level for the various foods, the data connot be interpreted as changes over time (as it was possible to do for total food).

Regional pattern in 1965

Households in the North Central region consumed more animal products per capita than any other region and 5 percent more than the U.S. average. But the Northeast region consumed nearly as much animal products as the North Central region as well as more food from crops than any other region, putting this region highest in consumption of all food. In the West, consumption levels of animal products and crops were each 2 percent higher than the U.S. average. With consumption of both animal products and crops low, food consumption in the South totaled 5 percent lower than the U.S. average.

Animal products--Consumption per capita of animal products ranged from 6 percent below average in the South to 5 percent above in the North Central region. North Central households were the largest consumers of animal products mainly because, on a per capita basis, they consumed 8 percent more red meat and dairy products than the U.S. average. They consumed relatively more than any other region of beef, pork, fluid milk, and processed dairy products. However, they used 9 percent below-average amounts of poultry and 19 percent less fish.

The household population in the Northeast region used average or larger amounts of all major animal products except pork and eggs. Average consumption rates for these foods were each about 10 percent below the U.S. average. They used 5 percent more than average amounts of poultry and dairy products--with particularly high consumption rates for turkey and fluid milk.

Among the animal products consumed in the West, per capita rates were particularly high for beef, turkey, eggs, and processed dairy products. Consumption levels of pork and fish were both well under average. Fluid milk and chicken also fell short of the U.S. average in the Western region.

Southern per capita consumption rates were around 15 percent or more under the U.S. average for beef, turkey, dairy products and animal fats. But comsumption of both chicken and fish was much higher in the South than elsewhere. In addition, consumption of pork was 5 percent higher and egg consumption 6 percent greater than the U.S. average.

Food from crops.--The range of regional difference in per capita consumption rates of food from crops was only about half that for animal products. Consumption ranged from 3 percent above average in the Northeast to 3 percent below in the South.

Use of food from crops was higher than average in the Northeast and in the West. The pattern of commodity use in these 2 regions, each predominately urban, was quite similar in many respects. They both used much more fruit and processed vegetables than average, and close to average amounts of potatoes, cereal products, and vegetable oil products. But there resemblance ended. People in the Northeast consumed their high quantities of fruit in processed form, while using only average amounts of fresh fruit. In the West, consumption of fresh fruit, perhaps because of proximity to high producing

areas, was 19 percent above average and processed fruit was 11 percent higher as well. Despite equally high consumption of vegetables in processed form, total vegetable consumption in the Northeast was near the U.S. average rate, while in the West consumption was 5 percent higher than average. This was caused by the 5 percent lower-than-average rate of fresh vegetable use in the Northeast as opposed to the 2 percent higher-than-average rate in the West. This pattern of fruit and vegetable use in 1965 was unchanged from that reported in 1955 for these regions.

In the North Central and South, regions which have substantial rural populations, consumption patterns for crops were not at all similar. In total, the North Central region consumed crop foods at the U.S. average rate while the South consumed 3 percent less. The following list of foods used at rates substantially different from the U.S. average indicates clearly the wide differences in the pattern of these regions--in most instances choices were directly opposite.

Comparison with U.S. average consumption

North Central	South
Higher than average	**Lower than average**
Fresh fruit	Fresh & processed fruits*
Potatoes & sweetpotatoes*	Processed vegetables*
Treenuts & peanuts	Potatoes & sweetpotatoes*
Coffee	Treenuts & peanuts*
	Coffee*
Lower than average	**Higher than average**
Vegetable oil*	Vegetable oil*
Fresh vegetables*	Fresh vegetables*
Dry beans & peas	Dry beans & peas*
Cereal products*	Cereal products*
Near average	**Near average**
Processed fruit	Sugar & sweets
Processed vegetables	
Sugar & sweets	

*Exceeds or falls short of any other region, as well as the U.S. average.

Most of the extremes in consumption rates for crop foods were in either the South or North Central regions. The fact that the South uses less than other regions of high-valued items and more of many of the lower-valued crop foods partly explains the overall low average consumption rate indicated by the consumption index.

To complete the picture on extreme rates, consumption of fresh fruit and nuts was highest in the West, processed fruits and vegetables and coffee highest in the Northeast region, and dry beans and peas lowest in the West. Consumption of sugar and sweets was near average in all regions except the West, where it was reported 6 percent below the U.S. average.

Food use related to nutrient need

The National Research Council's Recommended Dietary Allowances were weighted by the age-sex distribution of the surveyed population in 1965 to determine relative needs for each nutrient (table 16). Nutrient needs associated with the age and sex composition of the population varied scarcely at all by region and only a little by urbanization. But there was considerable variation by income classification.

Table 16.--Relative amounts of nutrients needed to supply an adequate diet for the age-sex composition of the surveyed population, Spring 1965 1/

Income, urbanization, region	Food energy	Protein	Calcium	Iron	Vitamin A value	Thiamine	Ascorbic acid
U.S. average	100	100	100	100	100	100	100
Under $1,000	92	99	95	94	102	96	99
$1,000-1,999	94	102	96	94	104	98	102
$2,000-2,999	97	101	100	99	101	99	101
$3,000-3,999	98	98	99	97	98	99	97
$4,000-4,999	99	99	99	99	98	98	99
$5,000-5,999	99	99	99	99	98	99	99
$6,000-6,999	101	99	102	102	99	100	100
$7,000-7,999	103	101	102	103	100	102	100
$8,000-8,999	102	101	102	103	100	101	101
$9,000-9,999	102	101	102	102	100	101	100
$10,000-14,999	103	102	102	103	102	103	101
$15,000 and over	105	104	104	104	103	104	103
Urban	99	100	100	100	100	99	100
Rural nonfarm	101	100	99	99	99	100	99
Rural farm	103	103	101	99	102	103	101
Northeast	99	100	100	101	100	99	100
North Central	101	100	100	100	100	100	101
South	100	100	100	100	100	100	100
West	100	100	101	101	100	101	100

1/ Computed from 1964 National Research Council's Recommended Dietary Allowances weighted by age and sex distribution of households surveyed in the Spring 1965 Household Food Consumption Survey.

The average need for food energy, measured in calories, rose at successively higher levels of income--from 8 percent below average for households having income of less than $1,000 to 5 percent above average at incomes of $15,000 or more. Relatively more elderly persons and women contributed to lower average energy needs in the lower income groups. At the upper end of the income scale, a relatively higher proportion of teenagers, particularly those 15-17 years old, contributed to the greater need for calories.

Calories in the food reported used increased slightly less rapidly with income than did the need for calories. 11/ But, the price-weighted index of food used per person increased more rapidly with income than did the need for calories. Some of this rise in quantity can be attributed to the choices of higher-cost foods at higher income levels--that is, more meat and less cereals. However, physiological needs related to age-sex differences help to explain the observed relationship between consumption and income.

Average needs for the other nutrients also vary with income because of age-sex distribution of the population at the various income levels, but none are as closely related to changes in income as food energy. Average needs for specific nutrients tend to relate closely to consumption of the food groups which supply a major proportion of the nutrient concerned. For example, part of the increase over the income range in consumption of dairy products is associated with

11/ U.S. Dept. Agriculture, Agricultural Research Service, Dietary Levels of Households in the United States, Spring 1965, A Preliminary Report, ARS 62-17, January 1968.

the need for calcium, and part of the increase in consumption of all livestock products is associated with the need for protein.

Food Consumption Related to Income 12/

The quantity indexes of food consumption per capita were related statistically to changes in levels of money income. For all food, we found that a 10-percent increase in per capita income was associated with a 1-1/2 percent increase in per capita food consumption, both in 1955 and 1965 (cover chart and table 17). 13/ The relationship with income was essentially the same in 1965 as in 1955, despite a substantial increase in incomes over the decade. 14/

Consumption of animal products and crop products each increased an average of 1-1/2 percent as income increased 10-percent. For crop products, the consumption response to income changes was somewhat greater in 1965 than in 1955--probably because of a much greater increase in consumption of processed foods. But little change was noted for animal products.

Most foods experience higher consumption at higher incomes. Among the major food groups, beef, processed fruit, processed vegetables, and processed potatoes and sweetpotatoes stand out with the largest increases in consumption associated with increases in income. Beef consumption rose about 3 percent for each 10-percent increase in income, both in 1955 and 1965. But with little change in consumption of pork as income rose, all red meat increased only 2 percent for each increase of 10 percent in income.

Consumption of processed fruit, vegetables, and potatoes in 1965 each rose significantly with income--particularly for potatoes. Fresh fruit also rose with income but at a slower pace than processed fruit. Since use of fresh vegetables was largely unaffected by changes in income--due partly to the influence of home-grown vegetables--total vegetable consumption rose only 2 percent with each 10-percent rise in income. It compared with a 4-percent increase for total fruit and total potatoes and sweetpotatoes.

Although the income associations of consumption of processed fruits and processed vegetables much exceeded those of fresh fruits and vegetables, the associations were not as marked in 1965 as in 1955. And, in both cases, there was a downward shift in the overall consumption-income relation.

The strong association of processed potato consumption with income in 1965 overcame the effects of fresh potatoes, which showed essentially no change over income levels. A decade earlier, the use of processed potatoes was much less important and had little effect upon the response of total potatoes to income changes, even though the income association of processed potatoes was about the same as in 1965.

Dairy products also exhibited a fairly strong association with income changes. The income association was a bit larger in 1965 than a decade earlier. Almost all of the increase occurred for fluid milk products, as use of skim and low-fat milks--which have a high income association--became more common. Nevertheless, there was a downward shift in the overall consumption-income relation for all dairy products between 1955 and 1965--

12/ By Stephen J. Hiemstra.

13/ Per capita consumption indexes were fit as a function of per capita money income with data in 10 household income groups for 1965 and 7 groups for 1955. The below $1,000 and top income groups were omitted for both years. However, our cover chart shows the consumption-income function extrapolated to cover the omitted income groups. Incomes for 1955 were adjusted to 1964 dollars using the Consumer Price Index as a deflator. Data were fit in log form.

14/ A small decline in the entire income-consumption relation appears to have taken place between 1955 and 1965. The income elasticities were not significantly different but the intercept value for 1965 was below that of 1955.

Table 17.---Changes in food consumption indexes in response to changes in income, 1955 and 1965 1/

Food group	1955				1965			
	Constant term	Income coefficient 2/		R^2	Constant term	Income coefficient 2/		R^2
All food	1.530	0.151	(.008)	.99	1.472	0.164	(.011)	.98
Animal products, total	1.519	.154	(.013)	.98	1.469	.165	(.015)	.97
Meat, total	1.413	.188	(.026)	.96	1.354	.200	(.024)	.95
Beef	1.005	.319	(.027)	.98	.967	.320	(.034)	.96
Pork	2.042	-.013	(.033)	.18	2.073	-.023	(.024)	.33
Chicken	1.974	.009	(.054)	.08	2.111	-.035	(.024)	.47
Fish	1.926	.020	(.082)	.11	1.893	.031	(.063)	.17
Eggs	1.751	.080	(.011)	.95	2.174	-.056	(.020)	.70
Dairy, including butter	1.323	.216	(.012)	.99	1.180	.255	(.016)	.98
Fresh fluid milks	1.423	.184	(.040)	.90	1.172	.258	(.026)	.96
Processed	1.230	.245	(.020)	.98	1.188	.252	(.024)	.96
Animal fats, including butter	1.959	.008	(.104)	.03	1.625	.114	(.049)	.63
Crop products, total	1.555	.144	(.002)	.99	1.475	.164	(.009)	.99
Vegetable oils	1.359	.209	(.042)	.91	1.604	.124	(.028)	.84
Fruit, total	.931	.344	(.018)	.99	.867	.352	(.033)	.97
Fresh excluding melons	1.496	.160	(.014)	.98	1.350	.202	(.043)	.86
Processed	.203	.580	(.017)	.99	.362	.508	(.029)	.99
Vegetables, total	1.520	.154	(.013)	.98	1.394	.188	(.024)	.94
Fresh	1.938	.017	(.034)	.22	1.720	.086	(.041)	.60
Processed	.779	.393	(.037)	.98	.921	.335	(.029)	.97
Potatoes and sweetpotatoes, total	1.869	.042	(.032)	.50	.715	.400	(.046)	.95
Fresh	2.211	-.068	(.039)	.62	2.224	-.069	(.038)	.55
Processed	-.393	.759	(.051)	.99	-.783	.860	(.108)	.94
Cereals and flour	2.256	-.083	(.015)	.92	2.322	-.100	(.008)	.98
Sugar and sirups	1.694	.101	(.014)	.95	1.523	.149	(.017)	.95
Coffee	1.500	.159	(.022)	.96	1.985	.006	(.026)	.07

1/ Per capita consumption indexes were fit as a function of per capita money income with data in 10 household income groups for 1965 and 7 groups for 1955. The below $1,000 and top income groups were omitted for both years. Incomes for 1955 were adjusted to 1964 dollars using the Consumer Price Index as a deflator. Data were fitted in log form using the least-squares regression method. 2/ Standard errors of coefficients shown in parentheses.

which helps account for the downtrend in average per capita consumption.

Some foods showed no increase in consumption at higher income levels. These included pork, chicken, fish, fresh potatoes and sweetpotatoes, fresh vegetables, and coffee. Only eggs and cereals and flour appeared to be negatively associated with income in 1965. For eggs, this was a switch from 10 years earlier when consumption rose with income.

Animal fats showed little income association in 1955 but were positively associated with income a decade later. Vegetable oils were positively associated with income in both periods, but the association was less marked in 1965 than in 1955.

Statistical notes

Data problems--In converting food products as reported in the surveys to primary foods as used in the index many minor ingredients were lost. We did not come close to deriving the actual consumption levels for such foods as sugar and flour, for example, which are scattered in unmeasurable amounts throughout the processed foods. However, consideration was given to obtaining information on an ingredient, even though the quantities were small, if there was significant regional, urbanization, or income differences in use of the food mixture. Hopefully, the patterns of consumption are representative. The same average commodity conversion factors were applied to mixtures of primary ingredients across the income scale and usually for all regional and urbanization groups.

In addition to omitting minor ingredients, it was not possible to determine precisely the ingredients of mixed foods. Amounts of the various kinds of fats and oils and types of dairy products used in bakery products, for example, were pertinent to obtaining the retail-store value of these items--since there is considerable difference in the price of butter as opposed to lard or vegetable oil, or fluid milk as opposed to dry milk. In this case, ingredient use by the baking industry, as reported by Bureau of the Census, determined the factors which were used for the 1955 survey data. Such factors, and others obtained in various ways, were not updated in computing the 1965 cross-sectional indexes in most instances. Reflecting differences in industry practice was deemed of less importance than retaining comparability of factors which, at best, are approximations.

In 1965, a more detailed product breakdown of conglomerate food groupings was available than in 1955. Total use for sub-items was given by region and urbanization--but not by income. In 1955, this detail had to be compiled by hand and only the most critical situations warranted the effort.

Adjustment to include singles.--The 1955 cross sectional indexes (U.S. total only) were adjusted to include the food consumption pattern for 1-person households (table 15). The distribution of persons eating in these households and their average consumption is known, but the amount consumed at various income levels is not available. Assuming that their consumption pattern would vary by income at the same per capita rate as for 2-or-more person households, an index for 1-person household consumption was constructed. It was integrated with the index for 2-or-more person households using population weights.

Since three-fourths of the 1-person households had incomes of less than $3,000 in 1955, almost all of the impact on the consumption pattern falls in the first 3 income groups. This concentration at lower income levels negates any serious error introduced by the adjustment method.

Coverage of surveys.--Food used at home as reported in the surveys included quantities purchased, home produced, received as gift (including Federally donated foods) or received as pay. All food eaten away from home, except for packed lunches, is excluded.

Cross-sectional information on household expenditures for all food eaten

away from home is available. 15/ But data on food eaten away from home are not available by commodity.

Complete diets for a 24-hour period--at home as well as away from home--were obtained for 15,000 individuals as part of the 1965 survey. 16/ But since this information is largely in the form of mixed dishes, conversion to primary foods at the retail store level, such as we have for the national time series and have estimated for the at-home food obtained in the household surveys (as expressed in the cross-sectional indexes) is difficult and may not be feasible.

15/ See "Expenditures for Food Away from Home," by Corinne Lebovit. National Food Situation, NFS-122, November 1967.

16/ Consumer and Food Economics Research Division, Agricultural Research Service, Food Intake and Nutritive Value of Diets of Men, Women, and Children in the United States, Spring 1965, A Preliminary Report, ARS 62-18, March 1969. 97pp. Separate data on quantities of foods consumed away from home are not in this publication but are planned for a future report.

Table 18.-- Wholesale food price indexes and Wholesale Price Index, selected periods 1/
(1957-59=100)

Year and month	Farm products			Processed foods and feeds														
				Meats														
	Eggs	Fresh and dried fruits and vegetables 2/	Total 3/	Beef and veal	Pork	Total	Poultry	Fish	Dairy	Processed fruits and vegetables 2/	Vegetable oil end products	Cereal and bakery products	Sugar and confectionery	Beverages 4/	Total 5/	All food 6/	Industrial commodities 7/	All commodities
1947-49	133.6	94.3	109.2	97.1	112.6	100.9	174.3	80.5	88.6	93.0	123.5	84.8	87.2	75.3	93.9	94.4	79.0	84.2
1960	103.2	100.6	96.9	100.6	91.0	96.8	99.9	102.0	105.0	99.5	90.5	103.2	101.8	98.8	100.0	100.0	101.3	100.7
1961	99.0	93.7	96.0	97.0	93.9	95.1	85.8	107.9	107.5	101.7	102.7	105.1	101.2	98.6	101.6	100.0	100.8	100.3
1962	95.2	97.7	97.7	103.2	94.1	97.8	90.2	113.2	106.9	98.0	97.3	107.6	102.2	99.0	102.7	100.6	100.8	100.6
1963	94.0	96.1	95.7	95.7	88.3	91.5	88.6	112.0	107.5	103.9	88.2	107.3	118.4	100.9	103.3	100.4	100.7	100.3
1964	90.8	103.2	94.3	90.5	88.3	89.0	87.4	107.4	107.8	104.8	89.7	107.8	111.8	106.2	103.1	100.8	101.2	100.5
1965	93.5	101.8	98.4	95.6	108.2	100.8	90.9	112.8	108.5	102.1	101.2	109.0	109.0	105.7	106.7	104.5	102.5	102.5
1966	107.9	102.5	105.6	104.1	117.5	109.9	97.3	127.2	118.5	104.8	104.6	115.4	110.5	105.8	113.0	110.7	104.7	105.9
1967	84.3	101.6	99.7	105.8	105.1	105.5	86.0	125.2	121.9	107.2	102.0	117.1	113.0	106.5	111.7	108.6	106.3	106.1
1968	93.9	108.2	102.2	110.2	103.5	107.7	91.0	135.2	127.6	114.1	100.2	118.2	115.8	109.6	114.1	112.2	109.0	108.7
1969																		
January	122.3	112.0	104.9	112.5	106.6	110.1	92.6	145.1	130.1	113.6	101.1	119.3	119.2	110.8	116.0	115.1	110.9	110.7
February	108.1	108.7	105.0	111.6	105.3	109.8	95.1	146.0	130.2	114.5	102.9	119.3	119.2	111.1	116.3	115.0	111.4	111.1
March	110.9	112.1	106.5	115.3	101.8	110.6	96.1	147.5	130.4	115.1	103.1	119.3	119.5	111.3	116.4	115.7	112.0	111.7
April																		
May																		
June																		
July																		
August																		
September																		
October																		
November																		
December																		
	Seasonally adjusted																	
1968																		
January	74.8	111.1	98.7	---	---	---	---	---	123.3	112.9	98.6	117.1	112.1	107.9	111.7	---	---	---
February	83.1	113.3	101.1	---	---	---	---	---	124.0	113.8	99.0	117.5	112.4	108.6	113.2	---	---	---
March	79.4	113.0	102.2	---	---	---	---	---	123.8	114.4	99.3	117.6	113.7	109.1	113.6	---	---	---
April	73.3	104.4	101.8	---	---	---	---	---	126.8	114.6	100.0	117.5	114.3	109.6	113.9	---	---	---
May	85.7	117.3	103.9	---	---	---	---	---	130.3	114.6	106.0	117.3	114.8	109.5	114.7	---	---	---
June	100.1	100.8	102.9	---	---	---	---	---	129.9	114.3	101.2	117.1	116.8	109.3	114.4	---	---	---
July	97.8	103.5	102.4	---	---	---	---	---	128.9	114.7	101.1	118.0	117.0	109.4	115.1	---	---	---
August	94.1	102.5	100.8	---	---	---	---	---	128.8	115.7	102.0	119.4	116.4	109.6	114.7	---	---	---
September	109.8	103.0	102.2	---	---	---	---	---	128.1	114.7	101.5	119.2	117.8	110.1	114.2	---	---	---
October	99.7	107.2	102.1	---	---	---	---	---	129.2	113.8	99.0	119.3	118.0	110.5	114.2	---	---	---
November	96.8	110.5	104.5	---	---	---	---	---	129.1	113.0	99.5	118.8	117.9	110.7	115.2	---	---	---
December	107.6	113.1	103.7	---	---	---	---	---	129.2	112.5	100.5	119.1	118.7	110.5	114.7	---	---	---
1969																		
January	128.1	112.9	105.3	---	---	---	---	---	130.1	112.7	100.0	---	118.3	---	115.7	---	---	---
February	111.3	106.9	104.7	---	---	---	---	---	130.5	114.6	102.2	---	118.3	---	116.1	---	---	---
March	110.1	109.0	106.3	---	---	---	---	---	131.2	115.2	102.7	---	119.5	---	117.1	---	---	---
April																		
May																		
June																		
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September																		
October																		
November																		
December																		

1/ For earlier annual data, see table 106, Food Consumption, Prices and Expenditures, Agricultural Economics Report No. 138, page 179, by Stephen J. Hiemstra. 2/ Includes potatoes. 3/ In addition to items listed separately, includes grains, livestock, live poultry, plant and animal fibers, milk, hay, hayseeds, oilseeds, and other farm products such as coffee beans, cocoa beans and tobacco. 4/ Includes alcoholic beverages. 5/ Includes animal fats and oils, crude and refined vegetable oils, manufactured animal feed, and miscellaneous processed foods in addition to items listed separately. 6/ All food includes all processed foods (omitting soft drinks, alcoholic beverages and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from the farm products group. 7/ Prior to 1967, includes manufactured animal feeds, soft drinks and alcoholic beverages.

Bureau of Labor Statistics.

Table 19.--Retail food price indexes and Consumer Price Index, selected periods 1/

(1957-59=100)

Year and month	Food at home																	Food away from home	All food	Consumer Price Index, less food	Consumer Price Index
	Meats			Poultry 3/	Fish	Eggs	Dairy products 4/	Fats and oils 5/	Fruits and vegetables			Cereal and bakery products	Sugar and sweets	Beverages	Total						
	Beef and veal	Pork	Total 2/						Fresh	Processed	Total										
1935-39	36.5	43.2	37.8	68.7	28.9	60.3	45.9	65.4	37.3	50.2	39.6	45.6	48.3	27.5	42.6		6/	41.9	54.2	48.7	
1947-49	86.8	92.8	86.7	132.5	86.4	122.7	88.3	117.0	78.4	88.6	80.9	75.5	85.4	56.1	86.1		6/	84.7	79.7	81.5	
1960	104.2	93.8	99.2	95.0	103.5	100.1	103.2	92.1	105.2	101.4	103.8	103.2	103.4	90.7	100.6		105.5	101.4	103.7	103.1	
1961	102.5	98.2	100.5	85.8	105.8	100.1	104.8	98.6	103.5	105.6	104.2	105.4	101.4	90.7	101.5		107.8	102.6	104.8	104.2	
1962	106.2	99.1	102.5	90.7	110.2	94.6	104.1	98.5	106.3	102.6	105.0	107.6	101.4	89.3	102.2		110.7	103.6	106.1	105.4	
1963	105.0	96.6	100.9	89.3	110.0	96.0	103.8	95.7	112.6	108.3	111.0	109.1	110.1	90.4	103.5		113.2	105.1	107.4	106.7	
1964	101.9	96.1	99.4	87.3	107.4	95.6	104.7	95.4	119.2	110.8	115.3	109.6	115.9	91.4	108.7		115.2	106.4	108.9	108.1	
1965	106.8	109.4	106.9	90.0	110.6	92.8	105.0	102.3	121.7	107.3	115.2	111.2	113.5	100.6	107.2		117.8	108.8	110.4	109.9	
1966	112.4	125.1	116.8	94.9	117.8	105.7	111.8	106.2	123.9	109.9	117.6	115.8	111.3	100.0	112.6		123.2	114.2	113.0	113.1	
1967	113.1	114.3	113.3	88.9	121.8	88.4	116.7	106.5	124.3	109.2	117.5	118.5	114.7	99.1	112.3		129.6	115.2	116.8	116.3	
1968	117.7	115.0	116.4	91.7	123.8	95.3	120.6	104.4	136.0	115.3	126.8	119.0	118.6	101.0	115.9		136.3	119.3	121.9	121.2	
1969																					
January	121.1	115.7	118.6	90.8	127.0	119.8	122.7	103.5	136.4	115.3	127.0	120.5	122.7	102.3	118.3		140.3	122.0	124.9	124.1	
February	121.3	116.6	119.0	92.3	127.7	116.2	122.8	103.6	138.3	115.3	124.7	120.8	123.1	102.2	118.1		140.7	121.9	125.6	124.6	
March	121.4	116.4	119.1	94.2	127.7	108.5	123.0	7/104.8	137.2	115.8	127.6	121.2	123.8	102.5	118.5		141.3	122.4	126.8	125.6	
April																					
May																					
June																					
July																					
August																					
September																					
October																					
November																					
December																					
	Seasonally adjusted																				
1968																					
January	116.2	112.4	114.6	91.1	122.3	81.9	117.9	---	137.7	---	127.0	---	---	---	114.1		---	117.2	---	---	
February	116.2	113.9	114.9	87.2	122.7	86.9	118.4	---	135.1	---	125.8	---	---	---	114.3		---	117.4	---	---	
March	116.5	116.5	116.1	95.2	121.2	87.6	118.8	---	135.0	---	125.8	---	---	---	114.9			118.1	---	---	
April	117.3	117.8	116.6	93.3	121.8	92.8	119.4	---	136.3	---	126.9	---	---	---	115.6		---	118.7	---	---	
May	118.4	119.1	117.9	93.7	122.7	88.7	120.9	---	139.1	---	128.9	---	---	---	116.3		---	119.4	---	---	
June	118.4	115.2	117.3	93.2	123.8	94.9	121.0	---	133.2	---	125.5	---	---	---	115.9		---	119.2	---	---	
July	117.9	113.9	116.1	90.4	124.3	96.9	121.5	---	129.9	---	123.4	---	---	---	115.5		---	118.6	---	---	
August	118.7	112.9	116.3	93.6	124.4	101.7	121.6	---	133.6	---	125.6	---	---	---	115.8		---	119.7	---	---	
September	117.2	112.2	115.5	94.0	125.1	102.1	121.4	---	135.4	---	127.0	---	---	---	116.3		---	120.0	---	---	
October	117.8	114.5	116.5	94.2	125.7	106.6	121.7	---	138.4	---	128.4	---	---	---	117.2		---	120.9	---	---	
November	119.1	114.5	117.0	93.6	125.9	98.7	121.9	---	138.1	---	128.0	---	---	---	117.2		---	121.0	---	---	
December	118.5	116.8	117.7	93.5	126.3	104.0	121.9	---	141.3	---	129.4	---	---	---	117.8		---	121.4	---	---	
1969																					
January	121.5	116.5	119.0	94.1	126.5	116.5	122.3	---	141.2	---	129.6	---	---	---	118.5		---	122.2	---	---	
February	121.5	117.4	119.1	91.4	127.3	112.4	122.8	---	134.0	---	125.6	---	---	---	118.3		---	122.1	---	---	
March	121.8	117.3	119.5	93.2	127.4	110.3	123.2	---	136.7	---	127.3	---	---	---	118.9		---	122.8	---	---	
April																					
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October																					
November																					
December																					

1/ For earlier annual data, see table 96, Food Consumption, Prices, and Expenditures, Agricultural Economic Report No. 138, July 1967, page 162, by Stephen J. Hiemstra. 2/ Beef, veal, lamb and mutton, pork, and processed meat. 3/ Unadjusted index includes turkey beginning 1963; seasonally adjusted indexes are for frying chicken only. 4/ Includes butter. 5/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI. 6/ Data not collected prior to 1953. 7/ Estimated.

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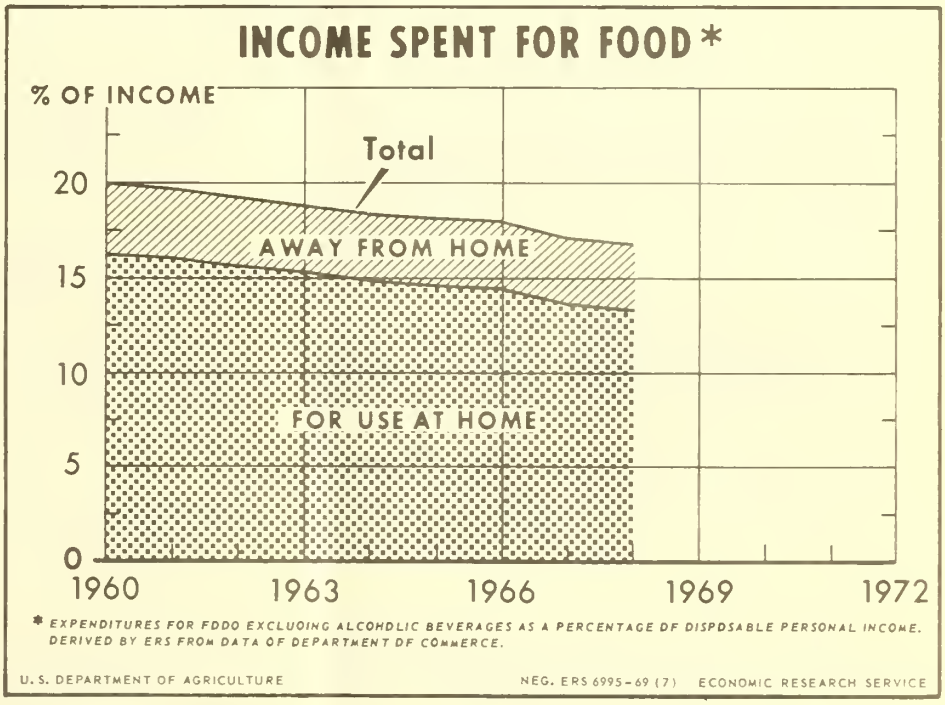
NATIONAL FOOD SITUATION

TWS-129 AUGUST 1969

The percentage of income spent for food slipped another notch last year to 17 percent, according to recently revised data. Total food spending again went up--6 percent over 1967--but the gain was a little less than for after-tax income--6-1/2 percent.

The share for food dropped from 20 percent in 1960. Virtually all of the 3-point drop was spending for food at home. Income going for food away from home slipped only from 3.8 to 3.5 percent. Of the $99 billion total spending last year, $21 billion was for food away from home.



IN THIS ISSUE

USDA DOMESTIC FOOD PROGRAMS

OUTLOOK FOR PRICES, CONSUMPTION AND EXPENDITURES

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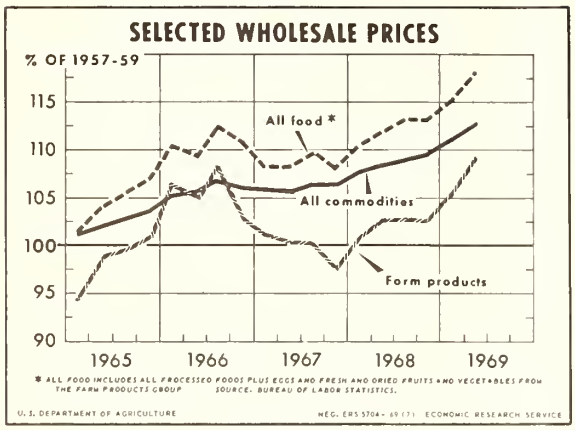

Figure 1

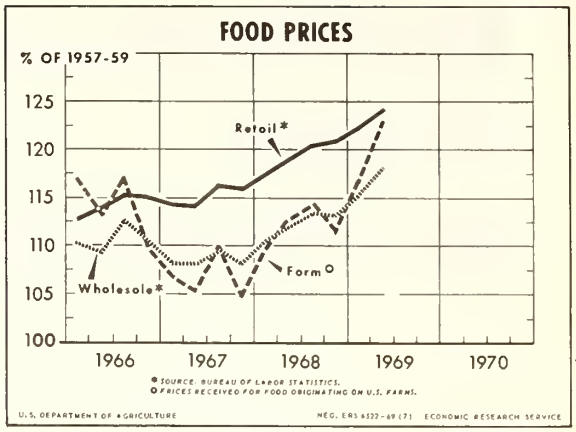

Figure 2

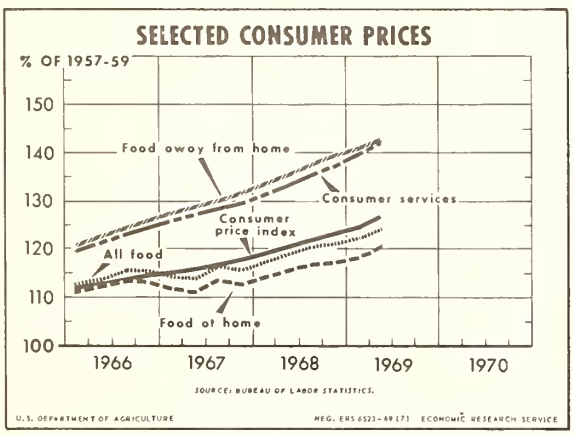

Figure 3

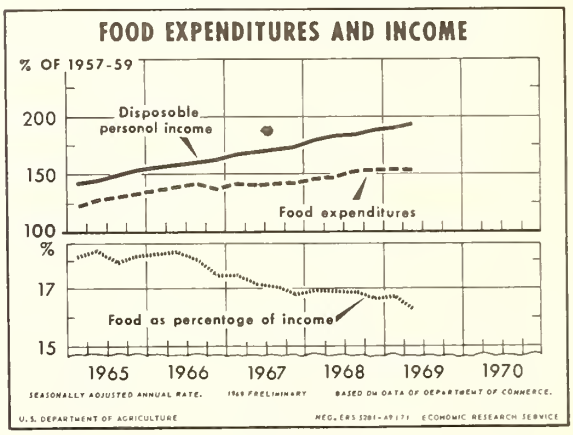

Figure 4

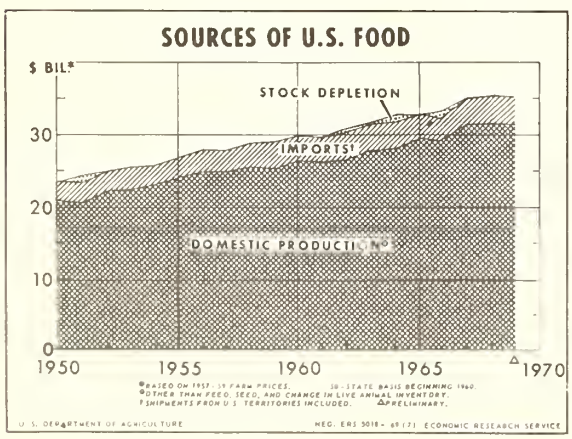

Figure 5

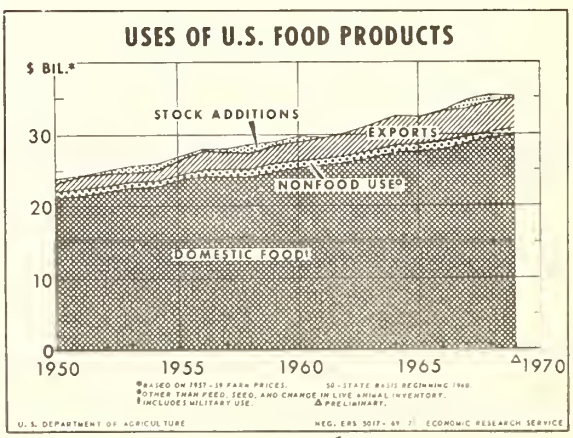

Figure 6

NATIONAL FOOD SITUATION

Approved by the Outlook and Situation Board, August 6, 1969

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SUMMARY[1]

Three important factors--continued inflationary pressures, a decline in meat consumption in the second quarter, and prospects for lower production of pork later in the year--alter the national food outlook for 1969.

Per capita consumption of all animal products this year may decline slightly following 3 years of advance. Dairy products, eggs, veal, and probably pork each may contribute to the decline. But consumption of all crop products--spurred by a large gain for fruit--likely will set a new record.

Total utilization of food commodities is expected to increase much less than last year's 2-percent gain. Use for domestic food likely will rise about in line with population growth. USDA direct donations and the Food Stamp Program both are expanding significantly from last year when they accounted for 1-1/2 percent of all food. But exports likely will not reach last year's level.

A temporary dip in meat supplies in the second quarter together with strong demands and inflationary pressures fueled substantial price increases at producer and wholesale levels. These gains, in turn, led to higher retail food prices. Second-quarter retail prices averaged 1-1/2 percent above the previous quarter and 4-1/2 percent above a year earlier. However, gross margins of food processing and marketing agencies narrowed from the first quarter and remained only slightly wider than a year earlier.

Food prices in June jumped 1-1/2 percent from May--a steep 1 percent on a seasonally adjusted basis. At 5-1/2 percent above June 1968--the same as the entire Consumer Price Index--the advance was only slightly short of the 6-percent rise in consumers' after-tax incomes in the second quarter.

Meat prices accounted for over half of the year-to-year increase in retail prices in June, the latest data available. Beef prices were up 15 percent; pork, 11 percent. Prices were also up for other animal products, notably for eggs. However, prices for fruits and vegetables, fats and oils, and coffee remained at year-earlier levels.

Current supply and demand prospects presage some further increase in food prices this summer and perhaps this fall. But, no food shortages are in sight. In fact, larger supplies of fed beef, broilers, eggs, and most fruits are in prospect. And, the crest of the tide of inflation may be at hand.

For the year, prices for food at home probably will average around 3-1/2 percent above a year earlier and prices for all food, around 4 percent higher. Both of these increases slightly exceed those of last year but fall short of the 5-percent increases of 1966.

1/ A copy of the Summary plus a summary table were released on August 6, 1969.

Consumers reacted to rising prices in the second quarter by stretching food purchases. Total food spending dropped slightly from the previous quarter to a level only 3 percent above a year earlier, according to preliminary data. Consumers apparently began switching to lower priced foods; total consumption seems to have slipped less than lower sales and rising prices would imply. An upturn in food spending is likely in the second half, but gains may be small if consumer resistance spreads.

Revised data show food expenditures for 1968 totaled $99 billion or only 16.8 percent of disposable income, down from 17.1 percent in 1967. Expenditures this year may reach $103 to $104 billion, equal to around 16-1/2 percent of disposable income.

FOOD PRICES

Second-Quarter Prices

Retail food prices rose sharply in June after advancing moderately through May. The abrupt rise resulted from a dip in red meat supplies that caused prices received by farmers for livestock to blossom.

Farm prices of all food originating on U.S. farms jumped 5 percent over the first quarter level; meat animals were up 13 percent (table 1). Increases in wholesale prices for food and farm products exceeded price increases for industrial commodities during the second quarter (fig. 1, inside cover). Compared with a year earlier, farm-level prices for domestic food were 9 percent higher and wholesale food prices 6 percent higher.

These increases caused farm and wholesale prices over the entire past decade to catch up--at least temporarily--with those at retail. At the second quarter level, farm prices for domestically produced food were 23 percent above the 1957-59 average. This increase exceeded the 18 percent average increase in retail store prices for equivalent foods and the 20-percent increase in retail prices for all food at home. It nearly matched the 24 percent increase in retail prices for all food at home and away (fig. 2, inside cover).

Retail prices for all foods increased 1-1/2 percent from the first to the second quarter. At the second-quarter level, prices averaged 4-1/2 percent above a year earlier (fig. 3, inside cover). The gain from the first quarter in prices for food at home was about the same as the increase in prices for food away from home. But over the past year, prices for food away from home have gone up more--6 percent compared with 4 percent.

Prices at farm and wholesale levels in the second quarter apparently surged faster than selling prices at retail. Therefore, farm-retail spreads narrowed slightly but they remained a little wider than a year earlier.

Retail food prices jumped 1-1/2 percent between May and June, the last available data (table 15, p. 31). About one-third of this increase was due to seasonal

Table 1.--Consumer, wholesale, and farm price indexes, 1968-69
(1957-59=100)

Item	1968				1969		
	II	III	IV	Year	I	II	
						Index	Percentage change from 1968 II
Retail prices: 1/							
All goods and services (CPI)	120.4	121.9	123.3	121.2	124.8	126.9	5.4
All items less food	121.1	122.6	124.3	121.9	125.8	127.9	5.6
All food	118.7	120.3	120.9	119.3	122.1	124.1	4.5
Food at home	115.5	116.9	117.1	115.9	118.3	120.3	4.2
Food away from home	135.1	137.2	139.4	136.3	140.8	142.9	5.8
Wholesale prices: 1/							
All commodities	108.5	109.0	109.5	108.7	111.2	112.6	3.8
Industrial commodities	108.7	109.0	110.0	109.0	111.4	112.2	3.2
Farm products	102.7	102.7	102.5	102.2	105.5	109.1	6.2
Processed food	112.9	114.8	113.9	113.3	115.8	119.6	5.9
All food 2/	111.8	113.3	113.2	112.2	115.4	118.1	5.6
Prices received by farmers: 3/							
Crops	105	101	102	103	101	104	-1
Livestock and products	110	114	114	112	117	124	13
Average	108	109	108	108	110	115	6
Market basket of U.S. farm foods: 4/							
Retail cost	113.3	114.8	114.8	113.8	115.8	118.1	4.2
Farm-retail spread	113.9	115.1	117.0	114.9	115.2	114.9	.9
Farm value	112.5	114.5	111.6	112.1	116.7	123.0	9.3

1/ Department of Labor, Bureau of Labor Statistics.

2/ All food includes all processed foods plus eggs and fresh and dried fruits and vegetables from the farm products group.

3/ Statistical Reporting Service.

4/ Economic Research Service.

factors (fig. 7). At the June level, the food price advance caught up with the Consumer Price Index--both were 5-1/2 percent above a year earlier--up nearly as much as disposable personal income. But over the past decade, food has continued to lag price increases for other consumer items. Since 1957-59, food at home has risen 22 percent, all food 26 percent, and the Consumer Price Index, 28 percent.

The unexpectedly sharp increase in food prices in the second quarter reflected strong demand and inflationary pressures at the same time that meat supplies suffered an unforeseen setback from year-earlier levels. Earlier expectations had also pointed to a somewhat slower demand expansion.

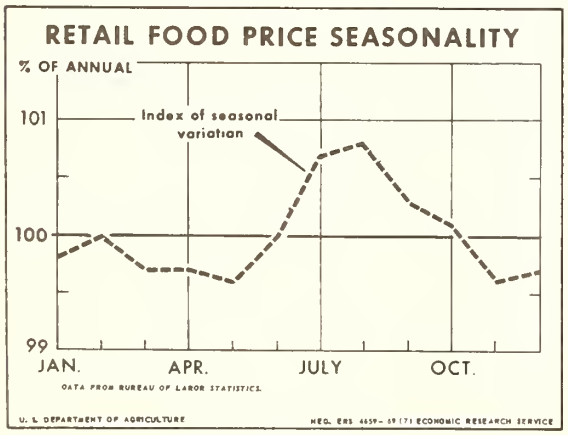

Figure 7

Outlook for Food Prices

Wholesale prices in July turned down a little from the June peak for farm products but up a little more for processed foods, according to preliminary data (table 14, p. 30). Wholesale food prices may peak in the third quarter but ease off later in the year as seasonally larger supplies become available and demand expansion slows.

Grocery store food prices likely are continuing upward in the third quarter and should remain near that level into the fall, if current supply expectations materialize. Prices for food at restaurants likely will continue upward at recent rates.

For the year, prices for food at home probably will average around 3-1/2 percent above a year earlier, and prices for all food around 4 percent higher. These increases would slightly exceed price gains in 1968 but fall short of the 5-percent increases in 1966.

Although incomes in the second half of 1969 are expected to continue to advance, consumer resistance to price increases--already suggested by a recent slippage in food store sales--may force processors and retailers to absorb increases in labor and other marketing costs, which may tend to keep retail price increases to a minimum. Any slowdown in incomes would cut further into sales and profit levels and tend to stabilize prices at retail.

Meat prices at retail rose 5 percent between the first and second quarters. June prices were 12 percent above a year earlier. The year-to-year price rise for meat accounted for over half of the total increase in prices for all food. Cattle prices have receded from a peak late in the second quarter, but they likely will remain well above a year earlier. Hog prices advanced into July. Despite sagging wholesale prices for beef, meat prices at retail likely will remain near current levels in the near term as retailers attempt to realign margins. Meat prices in the third quarter typically exceed those in the second quarter, and likely will do so again this year. Larger fed beef supplies in prospect likely will put downward pressure on beef prices later in the year, but pork prices may remain near current levels.

Poultry meat prices in the second quarter averaged 4 percent above a year earlier despite larger supplies, thus benefiting from lower per capita output of red meat. These prices likely will remain firm as long as the demand for red meat holds, but heavy supplies make prices vulnerable. Prices for eggs dropped more

than seasonally in the second quarter but stayed 10 percent above a year earlier in June. Egg prices advanced in July, but they likely will stabilize because of rising output now in prospect.

Retail dairy product prices--in the limelight last year--have increased slightly this year in place of a usual seasonal slowdown. Prices likely will continue edging upward as the year progresses.

In constrast to the year-to-year 7-percent rise in average retail prices for all animal products in the second quarter, crop products rose only 2 percent. Prices for fats and oils and for fruits and vegetables each remained around year-earlier levels or lower during the second quarter. Potato prices continued higher because of moderately lower carryover supplies. Prices for confectionery rose as wholesale prices for cocoa beans soared by one-half; sugar prices were up 4 percent at wholesale but only 2 percent at retail. Prices for soft drinks and cereal and bakery products continued their usual uptrends. Food grain prices were below a year earlier, but processing and distribution costs were higher.

Prices for regular coffee in the second quarter held stable with a year earlier, in response to lower prices for some kinds of beans and steady prices for others. But prices for instant coffee averaged 5 percent higher despite steady-to-lower bean prices. The increase for instant coffee, 3 percent between the first and second quarters of 1969, was unusually sharp for this product. Demand for all instant coffee apparently rose in concert with the introduction of freeze-dried coffee.

Prices for fruits and vegetables are expected to drop seasonally in the second half of 1969. Fruit prices may decline considerably, in view of sizable inventories and large prospective crops of peaches, apples, and most other fruits. Summer supplies of fresh vegetables are expected to be relatively small and acreage for processing is down considerably. Nevertheless, large carryover supplies of processed vegetables likely will hold prices relatively stable. Potato prices may weaken more than seasonally in view of the larger fall crop in prospect.

Retail Prices in Selected Countries

Only West Germany and the Philippines, out of the nearly 50 countries considered, had lower food prices in 1968 than in 1967 (table 2). Food prices in Germany were only 8 percent higher in 1968 than they were 5 years earlier, less of an increase than almost any other country. Prices in the Philippines, however, remained 33 percent higher than in 1963.

Food price increases in 1968 ranged from 7 to 13 percent in Denmark, Finland, Yugoslavia, Ghana, Cambodia, China (Taiwan), Ceylon, and Japan. But the dubious honor last year of again heading the list of food price increases went to South Vietnam. It was followed by several perennial leaders from South America--Chile, Brazil, Argentina, and Peru. Price increases in other countries were about the same or less than the 3-1/2-percent rise in the United States.

The 4-1/2-percent rise in consumer prices for all items, including food, in the United States in 1968 was about as much or more than in most West European countries except Denmark and Finland, where prices went up considerably faster. Even so, since 1963 U.S. prices have risen at least a fourth less than all West European countries except France, West Germany, and Greece. Prices in Spain, Denmark, and Finland have risen over twice as fast since 1963 as in the United States.

During the past 5 years, prices for all consumer items in Panama and Morocco have risen only 6 percent and in Venezuela and Hungary, 7 percent, less than all other countries studied. Countries in which price increases approximated the 14-percent rise over this period for the United States included Canada, Honduras, Mexico, France, West Germany, Greece, Kenya, South Africa, Cambodia, Ceylon, China (Taiwan), Thailand, and Australia. Those hovering near a

Table 2.--Retail prices of food and all consumer items, selected countries, 1966-68 1/
(1963=100)

Region and country	Food				All consumer items			
	1966	1967	1968		1966	1967	1968	
			Index	Change from 1967			Index	Change from 1967
				Percent				Percent
North America								
Canada	111	112	116	4	108	112	117	4
United States	109	110	114	4	106	109	114	5
Latin America								
Argentina (Buenos Aires)	203	262	304	16	207	268	311	16
Brazil (Sao Paulo)	437	539	650	21	444	576	715	24
Chile (Santiago)	238	273	343	26	231	273	346	27
Columbia (Bogota)	150	158	164	4	146	158	167	6
Ecuador (Quito)	118	124	130	5	112	116	121	4
Honduras (Tegucigalpa)	107	108	112	4	110	113	115	2
Mexico (Mexico City)	112	115	118	3	110	114	116	2
Panama (Panama City)	105	106	110	4	103	104	106	2
Peru (Lima and Callao)	148	165	192	16	141	155	185	19
Venezuela (Caracas)	104	103	104	1	106	106	107	1
Western Europe								
Austria	112	117	118	1	111	116	119	3
Belgium	115	118	120	2	2/113	2/116	2/119	3
Denmark	116	126	137	9	2/118	2/126	2/136	8
Finland	123	130	144	11	120	127	138	9
Franch	109	111	114	3	109	112	117	4
Germany, Federal Republic	109	109	108	-1	110	111	113	2
Greece	112	112	112	0	109	111	111	0
Ireland	113	116	122	5	115	119	125	5
Italy 3/	113	115	115	0	113	118	119	1
Netherlands 4/	117	119	122	3	116	120	124	3
Norway	115	120	124	3	114	119	123	3
Portugal (Lisbon)	118	120	125	4	112	119	126	6
Spain	127	132	138	5	129	137	144	5
Sweden	118	122	123	1	116	120	123	3
Switzerland	109	---	---	---	112	116	119	3
United Kingdom	110	113	118	4	112	115	121	5
Eastern Europe								
Czechoslovakia	101	101	---	---	102	104	---	---
Hungary (Budapest)	110	112	112	0	106	106	107	1
Poland	102	103	---	---	103	105	---	---
Yugoslavia	192	198	211	7	184	197	210	7
Africa								
Ghana (Accra)	163	139	157	13	151	140	154	10
Kenya (Nairobi) 5/	113	115	115	0	108	110	111	1
Morocco (Casablanca)	106	105	106	1	106	106	106	0
South Africa 6/	115	119	121	2	110	114	116	2
Tunisia (Tunis)	117	121	124	2	115	119	122	3
United Arab Republic (Cairo)	147	145	---	---	130	131	---	---
Asia								
Cambodia (Phnom-Penh) 7/	96	93	101	9	105	105	111	6
Ceylon (Colombo)	106	109	118	8	103	106	112	6
China (Taiwan)	110	114	125	10	102	105	114	9
India	141	164	170	4	137	156	160	3
Israel	116	119	122	3	122	124	127	2
Japan	117	123	131	7	116	121	128	6
Thailand (Bangkok, Thonburi)	112	120	124	3	107	111	113	2
Vietnam, Rep. (Saigon) 7/	237	363	487	34	194	279	358	28
Oceania								
Australia	112	117	120	3	110	113	116	3
New Zealand	111	119	122	3	110	117	122	4
Philippines (Manila)	126	136	133	-2	118	125	125	0

1/ Derived from data in Monthly Bulletin of Statistics, July 1969, Statistical Office of the United Nations. Prices for 1964 and 1965 were carried in the August 1968 issue of the National Food Situation, p.26. 2/ Excluding rent. 3/ Including tobacco. 4/ All consumer items exclude compulsory social insurance and wage tax. 5/ Food includes tobacco; all consumer items excludes rent. 6/ White population. 7/ Working class.

20-percent increase included Ecuador, Austria, Belgium, Ireland, Italy, Netherlands, Norway, Sweden, Switzerland, United Kingdom, Tunisia, and New Zealand.

Surging inflation continued in many South American countries, with price rises in 1968 for all consumer goods ranging between 16 and 27 percent in Argentina. Brazil, Chile, and Peru. Price advances slowed materially in Argentina and slackened in Brazil, but increases were much greater than a year earlier in Chile and Peru. Prices in South Vietnam increased by a fourth in 1968--a slower rate than in 1967. Among these countries, food led the rise in consumer prices only in South Vietnam.

FOOD SPENDING AND INCOME

Second Quarter Spending Down

Food expenditures in second-quarter 1969 dropped slightly from the first quarter, on a seasonally adjusted basis (fig. 4, inside cover). At this level, food spending was only 3 percent above last year's downward-revised figure. All of the drop in the second quarter occurred in expenditures for food at home, which backed off 1 percent from the previous quarter. Spending for food away from home increased 2 percent but was only 2 percent above a year earlier. The second-quarter gain for away-from-home food was the first increase in a year even though prices have continued upward.

Spending for food in the second-half year likely will resume its upward march, but at a slow pace. Further price gains likely will bolster dollar sales even though volume gains will only about match population growth.

After-tax income in the second quarter advanced 2 percent over the first quarter to a level 6 percent above a year earlier. These gains exceeded overall price increases, but not by much. On a per capita basis, income adjusted for price changes has flattened since mid-1968; second-quarter 1969 showed virtually no change from the first quarter on a seasonally adjusted basis (fig. 8).

Income gains in current dollars are expected to continue in the second half at about the same rates as in the first-half year. Again, prices likely will sop up most of the advance; "real" gains likely will be meager.

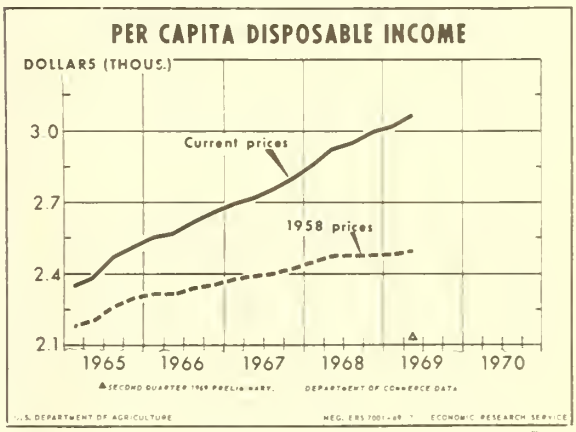

Figure 8

Food Store Sales Decline

Slipping sales by retail food stores explain the drop in total food spending in the second quarter. These sales declined more than 1 percent from the high level in the first quarter but remained above any other quarter (fig. 9). Sales by eating and drinking places turned up in the second quarter, after holding on a plateau for 3 quarters (fig. 10).

The downturn in sales by food stores contributed to slower sales growth by overall retail trade in the second quarter (fig. 11). Retail trade sales stayed in the plus column for the quarter despite some slippage in June. June sales were no higher than in January and only 2 percent above a year earlier.

The drop in food spending coupled with the rise in retail food prices implies a significant slowing in physical volume of food sales in the second quarter. Information on industrial production

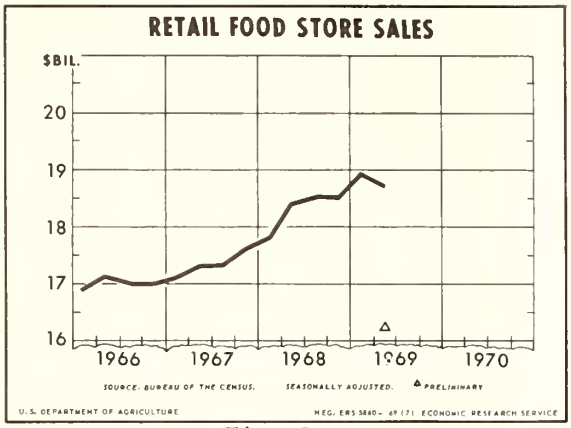

Fig. 9

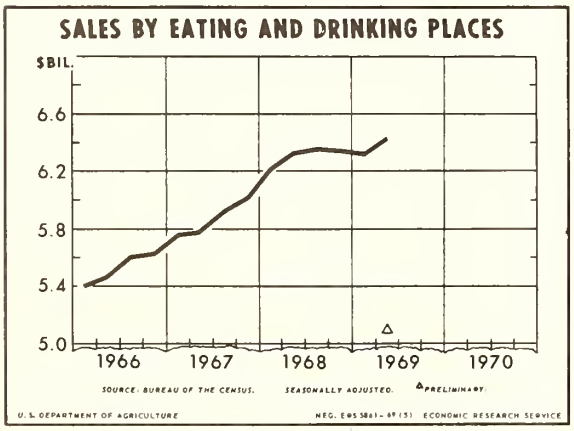

Fig. 10

Fig. 11

of total processed foods is not available yet for the entire second quarter, but April-May volume remained about the same as in the first quarter. Manufacturers' shipments of food and kindred products rose 3 percent from the first to the second quarter, but inventory levels climbed too.

Revised data for 1966-68

Revised data from the U.S. Department of Commerce show a drop of nearly $2 billion from prior estimates of food expenditures for 1968 and a reduction of over $1 billion for 1967. The revised figure for 1968 is $99.4 billion, up 6 percent from a year earlier.

This revision in combination with a small boost in revised income data resulted in food spending amounting to 16.8 percent of disposable income in 1968, down from the preliminary estimate of 17.2 percent (cover chart). Most of the revision occurred in spending for food at home.

Food expenditures in 1969 now are expected to total $103 to $104 billion, some 4 percent above a year earlier. The increase reflects only expected price increases and population growth since per capita consumption likely is not advancing. The increase in expenditures probably will fall short of the income gain for the year. Thus, the percentage of disposable income spent for food likely will reach a new low of close to 16-1/2 percent.

Food expenditures increased 42 percent between 1960 and 1968 (table 3). This increase was about three-fifths of the 69-percent rise in disposable income. Consequently, the percentage of income spent for food dropped from 20 to 17 percent. Spending for food at home increased at a slower rate than food away from home--largely reflecting the difference in price increases. Spending for food away from home went up about four-fifths as much as income. Thus, this spending eased from 3.8 percent of after-tax income to 3.5 percent over the 8-year

Table 3.--Expenditures for food in relation to disposable income, 1960-68

Year	Disposable personal income	Personal consumption expenditures for food 1/					
		For use at home 2/		Away from home 3/		Total	
		Amount	Percentage of income	Amount	Percentage of income	Amount	Percentage of income
	Bil. dol.	Bil. dol.	Pct.	Bil. dol.	Pct.	Bil. dol.	Pct.
1960	350.0	56.8	16.2	13.3	3.8	70.1	20.0
1961	364.4	58.5	16.1	13.6	3.7	72.1	19.8
1962	385.3	60.3	15.6	14.1	3.7	74.4	19.3
1963	404.6	62.0	15.3	14.5	3.6	76.5	18.9
1964	438.1	65.1	14.9	15.4	3.5	80.5	18.4
1965	473.2	69.3	14.6	16.5	3.5	85.8	18.1
1966	511.9	73.8	14.4	18.2	3.6	92.0	18.0
1967	546.5	74.2	13.6	19.4	3.5	93.6	17.1
1968 4/	590.0	78.7	13.3	20.7	3.5	99.4	16.8

1/ Derived from data of Department of Commerce, Survey of Current Business and The National Income and Product Accounts of the United States, 1929-65, assuming one-fourth of purchased meals and beverages is alcoholic beverages and the balance of reported alcoholic beverages is for off-premise use (consistent with 1963 Census of Business, Merchandise Line Sales). Omits alcoholic beverages, food donated by Government agencies to schools and needy persons, and nonpersonal spending for food such as business purchases of meals, food furnished inmates of hospitals and institutions, and food included with transportation tickets and camp fees. 2/ Includes food consumed on farms where produced. 3/ Includes food served to the military and employees of hospitals, prisons, and food service establishments. 4/ Preliminary.

period. Most of the decline in the percentage of income spent for all food was due to spending for food at home, which dropped from 16 to 13 percent.

U.S. Farm Foods

Expenditures for foods originating on U.S. farms in 1968 totaled $89 billion, up 5 percent from a year earlier. Both the returns to farmers and the value accruing to processing and marketing agencies increased about equally. The farm value reached nearly $29 billion and the marketing bill totaled $60 billion. These expenditures as a proportion of disposable personal income amounted to 5 percent for the farm value and 10 percent for the marketing bill (fig. 12). The share of spending for farm foods has trended downward about in line with total

Table 4.--Expenditures for food as a proportion of private consumption expenditures, selected countries, 1955, 1960, and 1964-66 1/

Country	1955	1960	1964	1965	1966
	Pct.	Pct.	Pct.	Pct.	Pct.
North America					
Canada	23.1	23.0	21.2	20.7	20.4
United States 2/	22.6	21.3	19.8	19.6	19.7
Latin America					
El Salvador	---	42.3	36.5	37.5	35.9
Honduras	49.9	43.7	42.3	---	---
Jamaica	3/40.6	36.5	33.4	32.8	32.9
Panama	3/42.1	40.2	42.3	41.1	39.4
Puerto Rico	33.0	28.7	24.9	24.3	24.8
Western Europe					
Austria	38.5	34.1	30.5	30.4	29.2
Belgium	29.1	27.5	25.9	25.8	25.6
Denmark	27.6	23.4	22.1	22.5	22.2
Finland	34.0	33.2	30.3	29.6	29.5
France	3/34.0	31.6	29.6	29.2	29.0
Germany, Federal Republic of 4/	3/40.7	37.9	35.0	34.7	34.0
Greece	45.3	41.6	39.9	39.9	40.4
Ireland	38.1	36.2	32.9	33.1	32.5
Italy	41.0	39.9	38.2	38.6	37.9
Malta	43.6	38.0	38.5	37.8	39.9
Netherlands	33.7	31.0	28.3	28.0	28.1
Norway	31.6	30.0	29.7	29.0	28.1
Sweden	29.8	27.5	26.3	25.9	25.5
United Kingdom 2/	31.3	28.3	26.1	25.4	25.1
Eastern Europe					
Bulgaria 5/	---	58.7	57.0	57.6	56.2
Hungary	---	38.9	36.8	36.6	37.0
Poland	---	52.3	49.1	47.7	47.6
Yugoslavia	53.2	44.8	45.2	43.2	44.1
U.S.S.R.	6/50.1	---	---	---	---
Africa					
Ghana	48.8	47.3	58.7	60.7	---
South Africa	30.5	29.5	27.2	28.3	28.8
Asia					
Ceylon	3/53.9	49.3	49.4	50.1	51.8
China (Taiwan)	53.2	52.9	49.1	48.3	47.4
Israel	34.5	32.8	28.7	27.3	27.0
Japan 4/	51.6	43.9	38.8	38.5	37.8
Korea, Republic of	55.8	51.5	60.6	55.4	52.0
Malaysia	---	45.6	45.9	45.4	---
Thailand	---	46.7	46.9	45.5	46.2
Viet Nam	---	49.8	47.7	51.0	---
Oceania					
Australia 2/	25.5	23.7	22.1	22.2	22.2

1/ Total expenditures, defined as those of households and private nonprofit institutions, including expenditures of residents abroad. Food expenditures, excluding beverages unless otherwise indicated, include amounts purchased by nonresidents. As a proportion of disposable personal income, U.S. food expenditures in 1966 equalled 18.0 percent. 2/ Includes nonalcoholic beverages. 3/ Not strictly comarable with data for other years. 4/ Includes beverages and tobacco. 5/ Percentage of "individual consumption," which excludes all services not contributing directly to material production (such as personal and professional services). 6/ Includes all beverages.

United Nations, Yearbook of National Accounts Statistics, 1967, except datum for U.S.S.R. from A. Bergson and S. Kuznets, Economic Trends in the Soviet Union, Harvard University Press, 1963, p. 361.

spending for food. 2/ Most but not all of the decline was due to the farm value failing to keep up with disposable income gains.

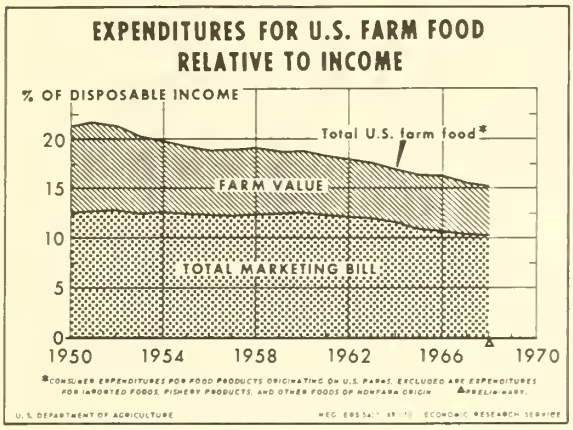

Figure 12

Expenditures for U.S. farm foods by commodity groups in 1968 turned out this way:

Meat products	30 percent
Dairy products	16 percent
Poultry and eggs	7 percent
Fruits and vegetables	22 percent
Grain mill products	4 percent
Bakery products	10 percent
Miscellaneous foods	11 percent
Total	100 percent

Expenditures for Food in Selected Countries

One measure of progress toward economic well-being of a country is a declining proportion of consumers' expenditures (or income) going for food. Such a decline allows an increasing share of income to be spent on other goods and services. United Nations data until 1966--the latest data available--provide a basis for comparing the U.S. trend with those of several other countries (table 4 and fig. 13).

Substantial increases in food expenditures in the United States in 1965 and 1966--stemming from rising prices--resulted in little change between 1964 and 1966 in the percentage spent for food. But it declined from 19.7 percent in 1966 to 18.5 in 1968. These figures--based on total expenditures--slightly exceed percentages based on disposable income, which are more commonly used in this report. The percentage of income spent for food in the United States dropped from 18.0 percent in 1966 to 16.8 percent in 1968. Disposable income data are not generally available.

Countries enjoying uninterrupted improvement between 1960 and 1966 included Canada, Austria, Finland, France, West Germany, United Kingdom, Poland, Israel, and Japan. The proportion spent for food fluctuated but tended to fall in Belgium, Denmark, Norway, Sweden, Bulgaria, Greece, and Hungary. It varied but tended to rise over this period in Malta, Ceylon, and Korea.

Jamaica, Puerto Rico, Netherlands, Hungary, and Thailand in 1966 experienced a rise following persistent downtrends in the percentage of total purchases spent for food. The proportion of expenditures going for food rose in both 1965 and 1966 in South Africa. In China (Taiwan) a temporary break in the downtrend occurred in 1964--and in Ireland, Italy, and El Salvador in 1965.

The United States has consistently spent less of its total purchases on food than any other country for which data are available. Our 19.7 percent in 1966 compares with Canada, a close second, at 20.4 percent, and Denmark and Australia tied for third at 22.2 percent.

Except for Greece, Italy, and Malta, where the level was around 40 percent, most West European countries spent between 25 and 30 percent of total purchases for food in 1966. Israel and South Africa were also in this range. In Eastern Europe the range was between 37 percent in Hungary and 56 percent in Bulgaria. 3/ In Asia (except Israel) consumers also spent a large part of total expenditures for food.

2/ Spending for U.S. farm foods omits the value of food consumed on farms where produced, imported food, fish, and military purchases, but it covers the value of USDA donated foods and nonpersonal spending for food that is omitted from the Department of Commerce data reported in table 3 and our cover chart.

3/ Data for Bulgaria differ in that total expenditures exclude all services not contributing directly to material production.

FOOD SUPPLY AND UTILIZATION

Total annual utilization of livestock products this year may increase slightly, but possibly by less than the 1-percent growth in population. Total utilization of crop food (including feed) commodities also is expected to rise, but by somewhat more than population growth. Use of all food commodities may increase less than population, but use of nonfood commodities is expected to drop (table 5). Thus, following a 2-percent gain last year, the total utilization of all farm commodities this year may only about equal that in 1968--and decline on a per capita basis (table 6).

Total civilian food use is expected to rise about in line with population this year, only a third of last year's 2-1/2 percent increase. Food use from livestock commodities is expected to be up by less than population growth, but--due to increased consumption of fruits--crop products may rise more. Military food use likely will be up slightly both for livestock and crop products. But total military use likely will continue to account for only around 2 percent of the total utilization of all food commodities in the United States.

Total utilization equals the summation of production, imports, and changes in stocks (fig. 5, inside cover). It also is equal to food use, nonfood use, and exports (fig. 6, inside cover). Use for food accounts for the lion's share of the total utilization of livestock commodities, but only 45 percent of crop food commodities. Use for feed accounts for a third of the total use of crops, and exports take over a sixth.

Feed use in 1969 likely will exceed that in 1968, and may exceed the peak level of 1966. Use for seed may be off slightly and lower utilization of nonfood crops, mainly cotton, is likely. But, use of more feed may be offsetting. Total domestic nonfood use is likely to expand, although not by as much as last year's 2-percent gain.

Exports of livestock products may increase slightly in calendar 1969, but shipments of crop products likely will be down--mainly for feed grains and cotton. Nevertheless, exports of total farm commodities likely will remain near last year's 13 percent of total net utilization and 15 percent of the domestic supply (production plus stock change). 4/

Imports of livestock products this year may be slightly larger than in 1968, but the increase is expected to be nowhere near the 14-percent bulge of 1968. Imports of crop products--mainly coffee and sugar may drop, and by enough to lower total imports. Thus, the percentage of total utilization accounted for by imports may slip from 12 to 11 percent. Imports as a percentage of domestic utilization (total utilization minus exports) may drop from 15 percent in 1968 to 14 percent in 1969.

Little overall change in output of both livestock and crop products is in prospect for this year. It is early to assess crop yields although acreage planted to most crops and some production data were reported as of July 1. Total acreage was indicated 2 percent less than in 1968. Food grain production likely will be down nearly a tenth, and a small decline is indicated for feed grains. Soybean acreage is up 2 percent to a record 42.4 million acres. Vegetable output likely will be down this year--particularly items for processing--but production of most fruit crops, including citrus, apples, and peaches, is expected to be up substantially.

The volume of farm marketings during 1969 also is expected to run slightly larger than in 1968 (table 7). Marketings

4/ For exports as a percentage of domestic supply and imports as a percentage of domestic utilization, by commodity group, 1966-68, see National Food Situation, NFS-128 (May 1969), p. 15.

Table 5.--Livestock, crop, and total farm food commodities: Supply-utilization indexes by component and relationship of components to annual utilization, 1964 to date 1/

Year	Supply: Production	Supply: Imports 2/	Supply: Stocks 3/	Total annual utilization	Utilization: Domestic use: Food: Civilian	Utilization: Domestic use: Food: Military	Utilization: Domestic use: Nonfood: Seed and feed	Utilization: Domestic use: Nonfood: Other	Utilization: Domestic use: Total	Utilization: Exports and shipments 4/
	A.--All food commodities (1957-59=100) 5/									
1964	110.9	102.6	119.5	118.0	112.1	113.3	---	104.4	111.8	181.4
1965	116.1	101.4	108.8	117.4	112.1	127.6	---	108.4	112.3	170.3
1966	114.4	109.7	110.0	120.4	114.0	136.2	---	110.2	114.3	183.4
1967	123.8	110.2	102.9	121.9	117.8	140.9	---	105.5	117.8	164.5
1968 6/	124.2	123.1	112.2	124.6	120.8	139.3	---	107.6	120.6	165.3
1969 6/	123.9	112.6	119.9	125.3	121.8	141.6	---	107.7	121.7	162.5
	Livestock food commodities (1957-59=100)									
1964	114.4	137.9	133.6	115.6	114.4	112.8	98.5	94.5	111.8	192.1
1965	112.5	130.1	106.5	113.2	113.4	124.1	94.7	93.6	111.0	132.6
1966	114.6	172.5	88.3	115.2	116.1	132.8	100.1	87.4	113.7	104.7
1967	118.5	181.7	102.4	118.7	120.0	143.8	88.1	90.9	117.2	106.6
1968 6/	119.2	198.3	131.9	121.2	122.7	145.0	81.8	93.6	121.9	113.7
1969 6/	119.9	207.7	115.7	122.0	123.5	146.7	81.0	93.3	122.7	116.7
	Crop food commodities (1957-59=100)									
1964	106.0	97.1	118.8	117.6	107.2	114.8	110.5	110.3	108.7	178.9
1965	117.5	96.7	108.9	118.7	109.4	135.9	109.2	117.4	109.9	179.1
1966	118.1	100.2	111.1	127.5	109.6	148.0	125.4	124.0	116.7	201.9
1967	128.0	99.7	102.9	123.8	113.0	130.9	119.9	114.3	115.9	178.1
1968 6/	129.5	111.8	111.2	127.0	116.7	119.8	124.2	116.1	119.6	177.4
1969 6/	129.6	98.7	120.1	128.8	118.4	123.8	128.5	116.5	122.3	173.2
	B.--All food commodities: Percentage of annual utilization 5/									
1964	86.1	9.9	4.0	100.0	82.0	1.5	---	2.9	86.4	13.6
1965	90.6	9.9	-.5	100.0	82.4	1.8	---	3.0	87.2	12.8
1966	87.0	10.4	2.6	100.0	81.8	1.8	---	2.9	86.5	13.5
1967	93.0	10.3	-3.3	100.0	83.4	1.9	---	2.8	88.1	11.9
1968 6/	91.3	11.3	-2.6	100.0	83.7	1.8	---	2.8	88.3	11.7
1969 6/	90.6	10.3	-.9	100.0	83.9	1.8	---	2.8	88 5	11.5
	Livestock food commodities: Percentage of annual utilization									
1964	96.7	2.5	.8	100.0	90.0	1.9	2.3	1.5	95.7	4.3
1965	97.0	2.5	.5	100.0	91.0	2.1	2.3	1.6	97.0	3.0
1966	97.2	3.2	-.4	100.0	91.6	2.2	2.4	1.4	97.6	2.4
1967	97.5	3.3	-.8	100.0	91.9	2.3	2.1	1.4	97.7	2.3
1968 6/	96.1	3.5	.4	100.0	91.9	2.3	1.9	1.4	97.5	2.5
1969 6/	96.0	3.6	.4	100.0	91.9	2.3	1.8	1.5	97.5	2.5
	Crop food commodities: Percentage of annual utilization									
1964	78.9	14.9	6.2	100.0	44.5	.6	32.1	3.4	80.6	19.4
1965	86.7	14.7	-1.4	100.0	45.0	.8	31.5	3.5	80.8	19.2
1966	81.0	14.2	4.8	100.0	42.0	.7	33.6	3.5	79.8	20.2
1967	90.4	14.6	-5.0	100.0	44.6	.7	33.1	3.3	81.7	18.3
1968 6/	89.2	15.9	-5.1	100.0	44.9	.6	33.4	3.3	82.2	17.8
1969 6/	88.0	13.9	-1.9	100.0	44.9	.6	34.1	3.2	82.8	17.2

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis. Includes essentially all commodities having any U.S. food use. For list of food commodities and comparable data for 1950-63, see National Food Situation, NFS-124 (May 1968), pp. 15-17.

2/ Includes shipments from U.S. Territories.

3/ Farm (other than live animals), commercial, and Government program holdings. Section A: January 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes. Negatives indicate stock increases; positives signify withdrawals.

4/ Includes shipments to U.S. Territories.

5/ Feed and seed omitted from total commodities to avoid double counting of use through livestock.

6/ Preliminary.

Table 6.--Livestock, crop, and total farm commodities: Supply-utilization indexes by component and relationship of components to annual utilization, 1964 to date 1/

Year	Supply: Production	Supply: Imports 2/	Supply: Stocks 3/	Total annual utilization	Utilization: Domestic use: Food: Civilian	Utilization: Domestic use: Food: Military	Utilization: Domestic use: Nonfood: Seed and feed	Utilization: Domestic use: Nonfood: Other	Utilization: Domestic use: Total	Utilization: Exports and shipments 4/
	A.--Total farm commodities (1957-59=100) 5/									
1964	111.8	106.1	115.5	116.9	112.1	113.3	---	109.1	111.8	155.3
1965	116.3	107.5	109.7	115.9	112.2	127.6	---	113.1	112.5	140.9
1966	111.9	116.2	112.4	118.9	114.1	136.2	---	116.5	114.7	150.4
1967	119.1	114.3	105.2	119.7	117.9	140.9	---	108.4	117.1	139.6
1968 6/	120.7	127.8	106.9	122.2	120.9	139.3	---	110.0	119.8	140.4
1969 6/	121.2	118.9	109.4	121.9	121.9	141.6	---	106.2	120.3	133.9
	Total livestock commodities (1957-59=100) 5/									
1964	114.2	126.8	124.0	115.4	114.4	112.8	98.5	102.2	113.4	185.8
1965	112.3	133.9	101.1	113.4	113.4	124.1	94.7	108.1	112.9	131.7
1966	114.4	157.6	87.6	115.3	116.1	132.8	100.1	104.9	115.5	104.9
1967	118.2	148.2	99.6	118.2	120.0	143.8	88.1	93.3	118.5	106.4
1968 6/	118.9	169.3	123.4	121.0	122.7	145.0	81.9	102.5	121.2	114.0
1969 6/	119.5	174.3	110.6	121.7	123.5	146.7	81.1	102.5	121.9	115.8
	Total crop commodities (1957-59=100) 5/									
1964	108.0	101.0	115.2	114.7	107.3	114.8	108.5	111.0	108.4	150.6
1965	115.3	101.2	110.0	113.8	109.5	139.9	105.9	114.4	108.8	143.2
1966	112.3	106.3	113.3	121.5	109.8	148.0	118.7	119.5	115.3	157.3
1967	117.2	106.1	105.4	118.2	113.4	130.9	114.2	112.4	113.6	144.6
1968 6/	120.2	117.8	106.3	120.7	117.0	119.8	117.5	112.0	116.5	144.4
1969 6/	121.5	106.0	109.4	120.6	118.7	123.8	120.4	107.3	117.8	136.7
	B.--Total farm commodities: Percentage of annual utilization 5/									
1964	86.4	10.5	3.1	100.0	72.8	1.4	---	10.2	84.4	15.6
1965	90.6	10.8	-1.4	100.0	73.5	1.6	---	10.6	85.7	14.3
1966	84.9	11.3	3.8	100.0	72.8	1.6	---	10.7	85.1	14.9
1967	89.8	11.1	-.9	100.0	74.8	1.7	---	9.8	86.3	13.7
1968 6/	89.2	12.1	-1.3	100.0	75.1	1.6	---	9.8	86.5	13.5
1969 6/	89.8	11.3	-1.1	100.0	76.0	1.6	---	9.5	87.1	12.9
	Total livestock commodities: Percentage of annual utilization									
1964	95.3	3.9	.8	100.0	88.1	1.8	2.3	3.5	95.7	4.3
1965	95.3	4.2	.5	100.0	88.9	2.0	2.3	3.7	96.9	3.1
1966	95.5	4.9	-.4	100.0	89.5	2.2	2.4	3.5	97.6	2.4
1967	96.2	4.5	-.7	100.0	90.2	2.3	2.0	3.1	97.6	2.4
1968 6/	94.6	5.0	.4	100.0	90.1	2.2	1.9	3.3	97.5	2.5
1969 6/	94.6	5.1	.3	100.0	90.1	2.3	1.8	3.3	97.5	2.5
	Total crop commodities: Percentage of annual utilization									
1964	83.6	12.4	4.0	100.0	33.0	.5	34.8	12.2	80.5	19.5
1965	90.0	12.5	-2.5	100.0	33.9	.6	34.2	12.7	81.4	18.6
1966	82.1	12.3	5.6	100.0	31.9	.6	35.9	12.4	80.8	19.2
1967	88.0	12.6	-.6	100.0	33.8	.5	35.5	12.0	81.8	18.2
1968 6/	88.5	13.7	-2.2	100.0	34.2	.5	35.8	11.7	82.2	17.8
1969 6/	89.5	12.4	-1.9	100.0	34.7	.5	36.8	11.2	83.2	16.8

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis. Earlier data for total farm commodities were published in Agricultural Statistics, 1968 and 1967, tables 656 and 657. For historical data for crops and livestock (data since 1960 revised), see National Food Situation, NFS-113 (August 1965, pp. 17-18. 2/ Includes shipments from U.S. Territories. 3/ Farm (other than live animals, commercial, and Government program holdings. Section A: January 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes. Negatives indicate stock increases; positives signify withdrawals. 4/ Includes shipments to U.S. Territories. 5/ Feed and seed omitted from total commodities to avoid double counting of use through livestock. 6/ Preliminary.

Table 7.--Volume of farm marketings and home consumption 1/
(1957-59 = 100)

Item	1968 Preliminary	1969 Indications	Percentage change
			Percent
All farm commodities	123	125	2
Food marketing and home consumption	122	123	1
Food marketings	126	128	2
Total food livestock	124	---	---
Meat animals	130	---	---
Poultry and eggs	138	---	---
Dairy products	103	---	---
Total food crops	129	---	---
Food grains	142	---	---
Vegetables 2/	119	---	---
Fruit and nuts	109	---	---
Sugar crops	175	---	---
Home consumption	46	45	-2
Livestock	45	44	-2
Crops	49	47	-4
Nonfood marketings	126	128	2

1/ Quantities of farm products weighted by constant farm prices. Data on a 50-State basis. Data beginning 1910 reported in Food Consumption, Prices and Expenditures, Agric. Econ. Report No. 138, July 1968, p. 163, are on a 48-State basis.
2/ Includes potatoes, dry edible beans, and melons.

of livestock may change little, but some decline is indicated for food crops, which are heavily weighted by sales of wheat.

Since supply and utilization both may be up slightly, little overall change in carryover stocks is indicated for the end of calendar year 1969. Some decline is likely for livestock products--mostly turkey and dairy products. But stocks of crop products may be a little larger, in view of the slowdown in exports. Larger January 1 stocks are indicated for wheat, soybeans, and cotton.

Alcoholic Beverage Materials

The manufacture of alcoholic beverages is a significant outlet for certain agricultural commodities. In 1967--the latest data available--7.6 billion pounds of fruit (mainly grapes) were used in making wine and other alcoholic beverages (table 8). Such use accounted for one-fifth of the total domestic use of all fruit. Over 100 million bushels of barley and over 500 million pounds of rice were so used, as were nearly a third of all barley and a fifth of all rice used domestically. Nearly 60 million bushels of corn were used, amounting to only 1-1/2 percent of domestic corn use. Thirty million pounds of hops--the whole crop, of course--went into malt liquors (mainly beer).

In total, alcoholic beverages--generally classed as nonfoods in our data--accounted for about 2-1/2 percent of the total domestic use of all crop products in 1967 (table 9). The value of crop products used added up to a little over $500 million in terms of 1957-59 farm prices.

Table 8.--Estimated use of selected agricultural commodities in the manufacture of alcoholic beverages, 1960-67 1/

Calendar year	Corn		Rye		Barley 2/		Wheat	
	Use	Percentage of total domestic use	Use	Percentage of total domestic use	Use	Percentage of total domestic use	Use	Percentage of total domestic use
	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.
1960	47	1.4	6	24.0	86	24.4	3/	3/
1961	58	1.7	5	19.2	86	23.3	1	0.1
1962	52	1.5	4	19.0	86	26.1	1	.1
1963	49	1.4	4	16.7	89	24.5	1	.1
1964	51	1.5	4	18.2	93	26.5	1	.1
1965	51	1.5	4	16.0	95	28.4	1	.1
1966	53	1.4	5	19.2	100	29.2	1	.1
1967	59	1.6	5	22.7	104	31.1	1	.1

	Sorghum grains		Rice		Hops		Fruit 5/	
	Use	Percentage of total domestic use	Use 4/	Percentage of total domestic use	Use	Percentage of total domestic use	Use	Percentage of total domestic use
	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.	Mil. bu.	Pct.
1960	5	1.4	491	20.8	30	100.0	6,919	16.3
1961	2	.5	484	20.6	30	100.0	6,979	16.6
1962	1	.2	459	17.3	30	100.0	8,028	18.9
1963	3	.7	381	15.9	31	100.0	9,653	21.7
1964	3	.7	406	16.4	31	100.0	7,943	19.2
1965	3	.6	444	16.3	31	100.0	9,930	21.6
1966	3	.5	493	16.8	31	100.0	8,255	18.5
1967	3	.5	539	18.3	30	100.0	7,515	20.4

1/ Data on alcoholic beverages derived from Alcohol and Tobacco Summary Statistics, Internal Revenue Service. Includes commodities used in the manufacture of distilled spirits, fermented malt liquors, and still wines. Domestic use based on Supply-Utilization summary.
2/ Includes barley equivalent of malt.
3/ Negligible.
4/ Converted to rough rice equivalent for comparability with Supply-Utilization data.
5/ Includes fruit, juices, and concentrates in still wine, fruit, and fruit products in distilled spirits.

Table 9.--Crops used for alcoholic beverages as a percentage of total domestic use of crop products, 1960-67 1/

Calendar year	Total domestic use of crop products 2/	Used for alcoholic beverages 3/	
		Total	Percentage of total use
	Mil. dol.	Mil. dol.	Pct.
1960	19,190	471	2.5
1961	19,909	481	2.4
1962	20,007	515	2.6
1963	20,002	580	2.9
1964	20,149	519	2.6
1965	20,282	608	3.0
1966	21,431	549	2.6
1967	21,109	528	2.5

1/ Quantities multiplied by 1957-59 farm prices. 2/ Component of Supply-Utilization Index adjusted to include all fruit used for alcoholic beverages. 3/ Quantities derived from Alcohol and Tobacco Summary Statistics, Internal Revenue Service.

CONSUMPTION AND DEMAND

Per capita consumption of meat in the second quarter dropped 4 percent from the first quarter to a level nearly 2 percent below a year earlier (fig. 14 and table 10). Broiler consumption was 6 percent greater than a year earlier. However, consumption of the other livestock products--eggs, turkey, and dairy products--was below a year earlier. Per capita consumption of all livestock products averaged a little lower than the previous quarter and also below a year earlier.

The outlook for consumption of total animal products has shifted. It looks now as if per capita consumption of all animal products may not quite match last year's record level of 105.6 (1957-59=100) (table 11). However, increased output of fruits is expected to push per capita consumption of all crop products to a new high.

Per capita consumption of food in total this year likely will about match

Table 10.--Livestock products: Per capita civilian consumption indexes, quarterly, 1966-69 1/
(1957-59=100)

Year and quarter		Meat	Poultry	Eggs	Dairy products		Animal fats, including butter	Total livestock products 2/
					Excluding butter	Including butter		
1966	I	101.9	103.2	88.4	98.7	96.9	80.1	98.8
	II	104.2	120.0	85.8	98.4	95.8	71.7	100.5
	III	106.9	139.4	86.7	97.3	93.9	70.1	102.9
	IV	110.3	159.7	91.5	94.4	92.5	77.0	105.9
1967	I	110.7	110.3	90.9	95.1	93.2	77.8	102.4
	II	108.6	128.3	88.3	98.4	95.4	70.3	103.4
	III	110.2	143.2	90.0	94.8	92.0	73.0	104.3
	IV	111.0	164.0	93.9	92.4	90.7	79.4	106.2
1968 3/	I	111.9	113.1	92.7	96.7	94.6	79.7	103.9
	II	110.7	124.8	88.4	98.0	95.4	74.6	104.1
	III	114.0	139.0	86.9	96.0	93.6	76.4	106.1
	IV	116.1	159.5	90.8	93.6	91.4	77.3	108.3
1969 3/	I	113.0	117.5	87.5	95.2	93.3	77.8	103.7
	II	108.8	128.1	86.7	96.9	94.4	74.6	103.0

1/ Quantities of individual foods, measured in pounds equivalent to the form sold by retail food stores, combine in terms of average 1957-59 retail prices. Data since 1955 are in Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, July 1968. 2/ Excludes fish and honey. 3/ Preliminary.

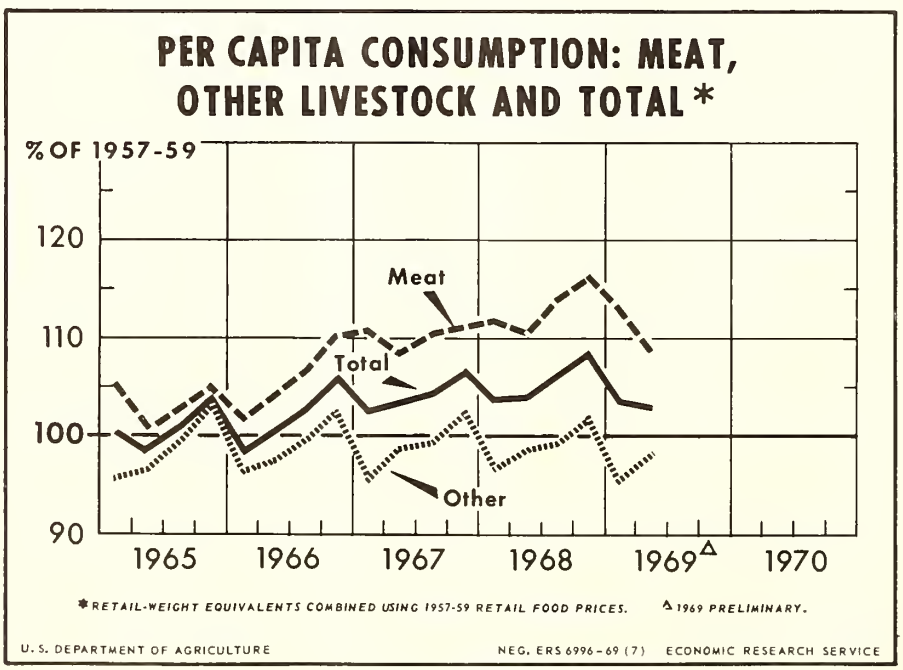

Figure 14

Table 11.--Food consumption per capita, 1960-69 1/
(1957-59=100)

Selected years	Meat	Poultry	Fish	Eggs	Dairy products 2/	Fats and oils			Fruits 3/		
						Animal 2/	Vegetable	Total	Fresh	Processed	Total
1960	102	102	98	94	98	92	106	99	97	102	99
1961	101	112	102	92	97	94	103	99	93	99	96
1962	102	110	101	92	97	93	107	100	89	103	95
1963	105	112	102	89	97	89	112	101	80	94	87
1964	108	114	99	89	97	87	119	103	85	91	88
1965	104	122	103	88	96	83	121	102	87	96	92
1966	106	131	102	88	95	75	134	105	87	97	92
1967	110	136	102	91	93	75	131	104	87	107	97
1968	113	134	104	90	94	77	137	107	85	104	94
1969 6/	113	139	104	89	93	76	137	108	91	107	98

	Vegetables 4/			Potatoes and sweetpotatoes		Cereal products	Sugar and sweeteners	Coffee, tea, and cocoa	All food		
	Fresh	Processed	Total	Fresh	Processed				Animal products	Crops 5/	Total
1960	100	103	101	94	131	100	102	101	99.6	101.5	100.5
1961	98	104	99	92	137	99	102	102	99.7	100.7	100.1
1962	95	109	99	88	150	98	103	103	100.1	100.8	100.4
1963	94	109	99	90	160	97	103	106	101.3	100.2	100.8
1964	93	111	98	82	178	98	103	103	102.8	100.7	101.8
1965	93	116	99	77	202	98	103	100	100.9	102.0	101.4
1966	91	118	99	77	229	96	104	100	102.1	103.0	102.5
1967	93	122	102	73	234	97	104	101	104.1	104.5	104.3
1968	92	127	102	71	242	97	106	101	105.6	105.2	105.4
1969 6/	92	126	102	72	245	97	105	100	105.2	105.8	105.4

1/ Civilian consumption only. Quantities of individual foods are combined in terms of 1957-59 retail prices. Data for earlier years, are given in table 2, National Food Situation, NFS-124 (May 1968), p. 2, and in table 1, Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, July 1968. 2/ Includes butter. 3/ Excludes melons and baby food. 4/ Excludes soup, baby food, dry beans and peas, potatoes, and sweetpotatoes. 5/ Includes melons, dry beans and peas, nuts, soup, and baby food in addition to groups shown separately. 6/ Preliminary.

that of 1968. This plateau follows 3 years in which per capita consumption gained 1 percent or more in each year. USDA direct donations of food and the Food Stamp Program both are expanding significantly this year. But program purchases--accounting for about 1-1/2 percent of all food last year--will not cut sharply into the commercial market.

Compared with a year earlier, per capita food consumption in 1969 likely will average:

--higher for broilers, beef, most fruits--both fresh and processed, citrus and noncitrus--melons, processed potatoes, instant coffee, and soft drinks;

--about the same for lamb, fish, turkey, most fats and oils, vegetables, fresh potatoes, flour and cereal products, regular coffee and sugar;

--lower for eggs, veal, most dairy products, lard, possibly pork, and cocoa and chocolate.

Livestock Product Consumption Down

Beef consumption per capita in the first half was about the same as a year earlier. A surprising drop during the spring was offset by higher levels in the first quarter. Production during the second half is expected to run larger than July-December 1968. Thus, for the year, per capita consumption may total a little more than the record 109 pounds of 1968 (table 12). The increase likely will fall well short of the 3-1/2-pound increase of 1968.

Consumption of veal has been trending down for the past 15 years--in part, the result of a smaller dairy herd--and a further drop is occurring this year. Consumption of lamb and mutton also has been trending downward, but this year likely will be about the same as last year. Lower production in the second half may be supplemented by larger imports. Since 1967 we have consumed less veal and lamb than turkey.

Pork consumption was up last winter, but dropped abruptly in the spring, to below year-earlier levels. Consumption this summer likely will hold its own but may drop below a year earlier in the fall. Output later this year will be influenced by the apparently smaller pig farrowings in the spring. If these expectations are realized, per capita consumption of pork may drop back to around the 1967 level.

The slight decline now indicated in per capita consumption of total red meat this year is expected to be offset by an increase in consumption of poultry. Per capita consumption of chicken may be up around 5 percent as consumers turn to poultry in the face of sharply higher prices for red meat.

Egg production in the first half fell well below a year earlier, but output in recent months has closed the gap. Output in the second half likely will run above a year earlier.

Output of milk dropped again during the first half and likely will continue slightly lower in the second half. Production of butter, cheese, and nonfat dry milk all fell, but production of evaporated milk increased. Per capita consumption of milk in all products continues to trend slowly downward. Per capita sales of all fluid products in January-April were about the same as a year earlier. Sales of low-fat and skim-milk fluid products are rising, but less sharply than in recent years. Sales of whole milk and cream continue to decline.

Fish Consumption Stable 5/

Total domestic landings of selected major species were higher during first-half 1969. Beginning-year inventories of frozen fishery products were up. On balance, total supplies of edible fish are estimated 4 to 5 percent above last year.

5/ Prepared from information submitted by the Department of the Interior.

Table 12.--Civilian per capita consumption of major food commodities (primary distribution weight) and civilian population, average 1957-59, annual 1964-69 1/

Commodity	Average 1957-59	1964	1965	1966	1967	1968	1969 indications as percentages of 1968
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent
Meats (carcass weight)	156.6	174.5	166.7	170.5	177.5	182.7	99
Beef	82.1	99.8	99.3	104.0	105.9	109.4	101
Veal	7.1	5.2	5.2	4.5	3.8	3.6	89
Lamb and mutton	4.4	4.2	3.7	4.0	3.9	3.7	100
Pork (excluding lard)	63.0	65.3	58.5	58.0	63.9	66.0	97
Fish (edible weight)	10.5	10.5	10.9	10.8	10.8	11.0	100
Poultry products							
Eggs (farm basis) - Number	356	318	314	313	323	320	98
Chicken (ready-to-cook)	27.5	31.0	33.3	36.0	37.1	37.1	105
Turkey (ready-to-cook)	6.0	7.3	7.5	7.8	8.6	7.9	101
Dairy products							
Cheese	7.9	9.4	9.5	9.7	10.0	10.6	98
Condensed and evaporated milk	14.8	11.3	10.6	9.7	9.0	8.6	93
Fluid milk and cream (milk equivalent)	337	304	301	296	285	279	98
Ice cream (product weight)	18.4	18.2	18.5	18.1	17.8	18.5	100
Fats and oils - Total, fat content	45.3	47.5	47.7	49.6	49.2	51.0	100
Butter (actual weight)	8.2	6.8	6.4	5.7	5.5	5.6	100
Margarine (actual weight)	8.9	9.7	9.9	10.5	10.5	10.3	102
Lard	9.3	6.3	6.4	5.5	5.4	5.6	95
Shortening	11.4	13.7	14.0	15.9	15.9	16.2	102
Other edible fats and oils	10.8	14.2	14.1	15.1	15.1	16.0	99
Fruits							
Fresh	95.5	78.6	80.9	81.2	80.7	77.9	107
Citrus	34.0	26.1	29.0	29.0	31.5	26.1	116
Apples (commercial)	21.0	17.8	16.3	15.9	16.1	15.6	102
Other (excluding melons)	40.5	34.7	35.6	36.3	33.1	36.2	103
Processed:							
Canned fruit	22.4	22.9	23.4	22.8	22.5	23.0	104
Canned juice	13.5	11.4	10.8	11.6	11.7	12.6	101
Frozen (including juices)	8.6	7.4	8.5	8.1	10.1	9.3	101
Dried	3.3	2.9	3.0	3.0	2.8	2.5	112
Vegetables							
Fresh 2/	104.1	98.5	98.4	95.8	97.8	98.2	100
Canned, excluding potatoes and sweetpotatoes	43.3	45.7	46.8	47.4	48.8	50.7	98
Frozen, excluding potatoes	6.6	7.6	8.1	8.8	9.0	9.6	102
Potatoes, fresh equivalent	106.9	110.8	107.6	113.3	111.3	112.6	101
Sweetpotatoes, fresh equivalent	8.3	5.5	6.2	6.3	5.8	5.8	98
Grains							
Cornmeal and flour	7.4	5.8	5.7	5.6	5.5	5.5	100
Corn sirup	9.4	13.6	13.6	14.0	14.0	14.5	100
Corn sugar	3.6	4.4	4.5	4.5	4.6	4.6	100
Wheat flour 3/	120	114	113	111	112	112	99
Wheat cereals	2.8	2.9	2.9	2.9	2.9	2.9	100
Rice, milled	5.4	7.0	7.6	7.3	7.5	7.8	100
Other							
Coffee (green beans)	15.7	15.3	14.8	14.5	14.8	14.8	100
Tea	.58	.67	.68	.69	.69	.72	101
Cocoa beans	3.5	3.9	4.0	4.2	4.2	4.3	93
Peanuts (shelled)	4.6	5.3	5.6	5.5	5.7	5.9	---
Dry edible beans	7.7	7.6	6.6	6.3	6.9	6.5	102
Melons	25.1	23.0	23.6	21.9	22.3	22.3	103
Sugar (refined)	96.1	96.5	96.4	97.4	97.1	98.8	100
	Million	Million	Million	Million	Million	Million	Percent
Civilian population 4/	171.5	189.4	191.9	193.8	195.7	197.6	101

1/ Quantity in pounds except for eggs. Data on calendar year basis except for dried fruits, which are on pack-year basis, fresh citrus fruits and peanuts on a crop-year basis, and rice on August 1 year. Fresh citrus year begins in previous October and rice year begins in previous August. 2/ Commercial production for sale as fresh produce. 3/ Includes white, whole wheat, and semolina flour. 4/ July 1 civilian population (50 States beginning 1960) used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

Current inventories of frozen fish and shellfish are about 5 percent above a year ago due primarily to a one-fourth larger holdings of shellfish. Stocks of shrimp, crabs, and lobster tails were much larger. Inventories of fillets and steaks are up 7-percent. Offsetting are lower stocks of round or dressed fish. Stocks of fresh water fish are about the same as a year ago. Stocks of fish sticks and portions are 18 percent higher than last year--production was up 25 percent in the first quarter.

Imports of major edible fishery products are running about 2 percent below last year. Total fillet imports are up 10 percent; cod registered the largest increase. Imports of raw tuna have declined 6 percent because of the sharp increase in domestic tuna landings. Imports of lobsters, shrimp, and canned oysters are slightly above year-ago levels.

Landings of the popular New England fish have decreased about 8 percent so far this year. Landings of haddock are a third less than the low level of last year and landings of ocean perch are off 13 percent. But landings of New England flounders and cod are up substantially. California tuna landings, used primarily for canning, are up 45 percent.

Supplies of most fishery products--haddock being the notable exception--are expected to increase seasonally and be ample for the remainder of the summer. But price levels will generally be higher than last year. Wholesale fish prices have been running about 10 percent higher than last year. Although fish prices are expected to dip seasonally in the next few months, they likely will continue higher than a year earlier. Wholesale prices for fresh fish have averaged about 14 percent above last year while prices for several frozen products have been about 10 percent higher. Wholesale prices for a limited number of canned products are averaging fractionally below last year.

Crop Product
Consumption Up

Large supplies and little change in prices of edible fats and oils are expected to result in per capita consumption this year of around 51 pounds, the same as 1968's record level. Per capita consumption of margarine and shortening again is expected to increase slightly, but smaller direct use of lard and cooking and salad oils may be offsetting. Little change in use of butter is expected, although sales have slipped lately.

Larger supplies of nearly all kinds of fruit are in prospect this year. The 1968/69 citrus crop was more than a third larger than last year--even though juice yield was down. The quantity of citrus remaining for fresh sale is much larger than last summer's relatively small supply. Fresh peach supplies from the South apparently were a little smaller than a year earlier, but the late season peach crop is expected to be much larger. Similarly, the output of apples, pears, and cherries is expected to be much larger than a year earlier. Plums and prunes are an exception to the generally large fruit supplies this year. Also, packers' stocks of most processed fruits remain considerably above year-earlier levels. These include canned cling peaches, fruit cocktail and pineapple, and frozen and chilled citrus products. These larger supplies point to increased consumption of both fresh and processed fruits--citrus and noncitrus--during 1969. An overall increase of some 4 percent per capita is likely following a 3-percent slump in 1968.

Production of cantaloup is expected to be moderately lower, but output of watermelon a little larger, than last summer. Some gain in melon consumption is indicated for the year.

The output of fresh vegetables this spring fell a little short of a year earlier--contributing to higher retail prices--and production is expect-

ed to continue smaller through the summer. Supplies of carrots and celery likely will be down considerably. Output of snap beans, tomatoes, and onions also are expected to be smaller than a year earlier. But tonnage of lettuce this summer is expected to be record large.

The carryover of processed vegetables is up sharply going into the forthcoming heavy processing season. As a result, the acreage of 10 principal vegetables for processing this year was cut an estimated 15 percent. The drop covers every major vegetable except cabbage for sauerkraut. The packs of both canned and frozen vegetables will reflect the smaller crop. Per capita consumption of canned vegetables may not match the high level of 1968. But use of frozen vegetables likely will continue trending upward by drawing down stocks.

Potato production this summer is expected to fall a little short of last year's output, but acreage for fall harvest is indicated to be larger than last year. Total consumption of all potatoes likely will at least equal the 1968 level. Gains are indicated again for frozen and other processed potatoes. About the same use of sweetpotatoes is likely this year.

Per capita consumption of wheat flour used in all cereal and bakery products has remained around 111 to 112 pounds in recent years. This level is expected again this year. Similarly, rice consumption likely will about equal last year's 7.8 pounds per capita.

Sugar consumption last year gained almost 2 pounds per capita over 1967, an unusually large increase. Total delivery of sugar for use in commercially prepared foods and beverages rose 8 percent, accounting for all of the increase. Deliveries (including deliveries on previous-year sales) continued to expand during first-half 1969. But consumption this year likely will average about the same as in 1968.

Coffee consumption last year equaled the 1967 level, and little change is likely in 1969. However, roastings for instant coffee have been growing as a proportion of the total. A significant increase in use of instant coffee--that began in the last half of 1968--paralleled the introduction of freeze-dried coffee.

A decline is indicated in use of cocoa beans this year. World output of cocoa beans has been less than consumption for 4 years. Thus, stock levels have been dropping and prices generally rising. Cocoa bean imports were down by a fifth in 1968. However, imports of chocolate products rose to take up some of the slack.

Imports of total cocoa products continue to fall this year. Even though consumption of chocolate likely is declining, per capita consumption of total confectionery this year is expected to increase slightly over the 19.8 pounds of 1968.

Consumption of Alcoholic Beverages

Consumption of alcoholic beverages has been rising in recent years. The increase has been greater for distilled spirits than for either wine or malt liquors. Consumption of malt liquor averaged 16.8 gallons per capita (using total civilian population) in 1967, the latest data available. It represented a gain of 4 percent from the year before and 9 percent over 1960. Consumption of distilled spirits amounted to 1.6 gallons per capita, up 4 percent from a year earlier and 25 percent over 1960. Total wine consumption, at 1.0 gallon per capita, also rose significantly in 1967, up 5 percent from 1966 and 13 percent over 1960.

USDA DOMESTIC FOOD PROGRAMS 1/

USDA commodity donations to schools, institutions and needy families last year totaled 1.8 billion pounds, up 5 percent from 1967 (table 13). 2/ The level in both years represented 0.9 percent of all food consumed by U.S. civilians. And two-thirds of the retail value of the donated foods was animal products.

There was considerable shift among commodities donated in 1968, but the retail value of the package (in constant dollars) rose 5 percent just as volume did--indicating no change in an economic sense. However, attention last year was given to improving the nutritional quality of the group of foods distributed.

The 5-percent gain last year equaled 80 million pounds. Poultry donations attained a record-high 127 million pounds, partly making up for reduction in red meat. Butter and cheese donations increased nearly a third and evaporated milk was added to the list, contributing to a 27-percent increase for all dairy products. Donations of margarine decline about 20 million pounds, but this was more than offset by the increase for butter.

Reductions for fruit (largely frozen concentrated orange juice) were offset by a 62 million pound increase in donations of canned vegetables. The introduction of dehydrated white potatoes in 1968 led to unprecedented levels of potato donations--about 120 million pounds on a fresh-equivalent basis. In addition, one-third of the 13 million pounds of sweetpotato products donated was in dehydrated form. Donations of each of the cereal products were close to the levels of 1967, when these products totaled the lowest in the decade.

All of the increased commodity donations in 1968 went to needy families. Institutions received about the same quantity as in 1967. Although the quantity of foods donated to schools dropped 9 percent, supplementary items--the meat, poultry, fruits, and vegetables needed to supply a varied and nutritious lunch--increased 17 percent. The quantity of total meat and poultry donated to schools remained about the same; increases for chicken about made up the reduction for red meat. Institutions received some new items--10 million pounds of cheese, 5 million of fresh peaches, and 6 million of potatoes--but some items were reduced. Donation of frozen orange concentrate was cut from 20 million pounds in 1967 to 7 million, and raisins from 5 million pounds to 2 million.

Needy Person Programs

Food programs designed specifically for needy persons in families reached 1 million more people in 1968 than in 1967. Despite increased participation under the Food Stamp Program--from an average of 1.8 million persons in 1967 to 2.5 million in 1968--participation in the Commodity Distribution Program increased slightly, from an average of 2.6 million in 1967 to 2.8 million in 1968 (excluding those in U.S. Territories). The number of commodity program participants steadily declined each month from July 1966 through July 1967 as many areas shifted from the Commodity Distribution Program to the Food Stamp Program. Since then participation has tended to rise (allowing for seasonal variation) because of the introduction of the commodity program in some areas previously not covered by any Federal program.

In calendar year 1968 the average amount of commodities donated to needy

1/ By Helen M. Eklund, Food Consumption Section, ERS.

2/ Excludes distribution to U.S. Territories that amounted to 133 million pounds, about 7 percent of the total commodities donated by USDA.

Table 13.--USDA domestic donations of commodities to schools, institutions, and needy persons, 1961-68 1/

Item	1961	1962	1963	1964	1965	1966	1967	1968
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.
Meat								
Beef	62.9	41.0	26.8	196.9	201.0	53.1	100.0	73.2
Pork	68.8	31.1	28.1	20.4	.1	---	---	11.2
Lamb	12.1	.1	---	---	---	---	---	---
Mixtures	63.3	143.0	122.8	63.0	35.5	51.0	83.0	63.4
Total	207.1	215.2	177.7	280.3	236.6	104.1	183.0	147.8
Poultry								
Turkey	50.1	42.7	47.6	56.4	39.6	20.2	61.2	53.8
Poultry, other	33.3	41.9	55.9	53.9	33.9	45.1	51.0	73.1
Total	83.4	84.6	103.5	110.3	73.5	65.3	112.2	126.9
Eggs 2/	24.0	10.3	8.8	16.7	2.8	---	2.1	9.1
Dairy products								
Butter	147.6	160.7	169.0	179.9	132.9	50.9	108.4	141.3
Cheese	23.3	143.6	129.6	133.4	82.0	4.6	81.2	105.2
Nonfat dry milk	170.6	179.0	165.1	153.0	147.9	127.1	108.4	107.9
Evaporated milk	---	---	---	---	---	---	---	23.3
Total	341.5	483.3	463.7	466.3	362.8	182.6	298.0	377.7
Fats and oils								
Lard and shortening	108.5	97.3	96.1	91.5	89.2	90.0	78.9	77.5
Margarine	---	---	---	---	31.6	44.5	24.4	3.5
Fruits								
Fresh	8.6	16.2	26.9	26.1	9.1	---	18.4	5.1
Canned	101.7	87.6	66.0	103.1	94.0	88.4	78.7	113.2
Dried	.1	10.5	---	1.4	1.0	38.7	35.4	29.4
Frozen	---	---	---	---	4.0	4.7	109.1	32.7
Total	110.4	114.3	92.9	130.6	108.1	131.8	241.6	180.4
Vegetables								
Fresh	2.2	---	---	---	---	.5	---	---
Canned	54.5	74.9	86.1	89.2	50.9	48.9	48.9	111.4
Dried beans and peas	109.6	141.0	114.4	106.0	81.2	37.8	83.5	65.5
Total	166.3	215.9	200.5	195.2	132.1	87.2	132.4	176.9
Potatoes and sweetpotatoes	8.2	38.1	25.6	---	9.4	24.2	14.7	40.4
Cereal products								
Bulgur	---	---	2.2	4.4	4.9	4.9	5.1	5.1
Cornmeal and grits	183.9	179.5	155.3	158.3	151.0	141.6	113.4	112.2
Oats (rolled)	43.5	1.5	---	---	---	.6	28.7	26.1
Rice	123.6	122.9	125.1	104.2	95.8	87.6	70.1	74.6
Wheat flour	489.7	505.7	466.6	482.6	482.9	445.2	399.0	409.6
Wheat (rolled)	---	80.2	65.4	57.6	51.5	43.6	21.6	21.6
Total	840.7	889.8	814.6	807.1	786.1	723.5	637.9	649.2
Other 3/	39.4	41.0	37.5	44.6	42.3	42.9	37.1	52.5
Total all commodities	1,929.5	2,189.8	2,020.9	2,142.6	1,874.5	1,496.1	1,762.3	1,841.9
Percentage of U.S. total consumption	.9	1.0	1.0	1.1	1.0	.6	.9	.9

1/ Includes commodities distributed under the National School Lunch Program; excludes distribution to U.S. Territories. Data are in terms of product weight so for some items are not comparable over time. 2/ Shell eggs and dried, beginning 1968 includes scrambled egg mix. 3/ Includes olive oil, peanut butter, and minor amounts of other items.

families (including those in U.S. Territories) totaled 256 pounds per person. 3/ Commodities averaged as follows (pounds per capita):

Canned meat	20
Canned poultry	4
Scrambled egg mix	3
Dairy products	44
Fruits and vegetables (canned and dried)	27
Potato flakes	5
Dry beans and peas	17
Peanut butter	7
Butter/margarine	10
Lard/shortening	11
Flour and cereals	104
Corn syrup	4

Per capita rates reported for January-March 1969--if continued through the year--would add 42 pounds or 16 percent to the annual total in 1969. Over a fourth of the increase in the first quarter was accounted for by fruits and vegetables, a fifth by meat and poultry, another fifth by dairy products, and the remaining third by corn sirup.

A total of 432 pounds per eligible person is potentially available from the Department. However, items and amounts of requested food vary by State. In addition, the recipient may reject the foods offered him.

Food Stamp Program

The Food Stamp Program has expanded rapidly in the last 2 years to a level of participation approaching the Commodity Distribution Program. About 700,000 additional persons were brought under the program in both 1967 and 1968. This amounted to a doubling of the previous enrollment, which began on a pilot basis in 1961. Expansion continues. Participation reached an average of 3.0 million persons in the first 3 months of 1969, up from the 2-1/2 million average in 1968. The value of the total stamps issued in 1968 was 40 percent more than in 1967 and 2-1/4 times as much as in 1966. The proportion of "bonus" stamps--the value issued in excess of the contribution by participants--increased slightly in each of these years, ranging from 36 percent of total stamps issued in 1966 to 38 percent in 1968.

The average value of bonus stamps received per person in 1966 was $73; in 1967, $75; and in 1968, $79. Total stamps increased from an average of $204 per person in 1966 and 1967 to $206 in 1968.

Both the value of total stamps received by families participating in the program and their contribution varies according to income after adjustment for certain necessary expenses--such as medical costs and abnormally high rents.

The contribution necessary to receive stamps as a proportion of adjusted income varies by income level. For example, a 4-person household in the North with monthly income between $60 and $140 pays 40-43 percent for the stamps--the largest required share among the various income groups. A 4-person family in the North with $250 per month ($3,000 per year) pays about 30 percent of income ($76) to receive stamps worth $100.

In 1968, $519 million in food stamps were issued, of which $198 million were bonus coupons. Data for first-quarter 1969, on an annual rate basis, show $633 million in total stamps with $243 million bonus. This pace is up about a third from the same period of 1968, and further gains are likely.

The value of food stamps remains rather low in relation to total food spending in the country--0.6 percent. Nevertheless, this amount added to the 0.9 percent of total food consumption represented by direct distribution of commodities is a significant part of the $100 billion food industry.

3/ Inclusion of donations to over a half a million Puerto Ricans, a sixth of the total participants in this program, may alter averages for the 50 States.

School Programs

The School Lunch Program has been in existence for 23 years. In FY-1968 (year ended June 1968) 3.2 billion lunches were served--with 13 percent of them free or at reduced price--to nearly 18.8 million children. Compared with FY-1967, the number of meals was up 2 percent; free or reduced-price meals increased 8½ percent. Over two-thirds more meals were served in needy schools (where free or reduced-price meals accounted for 54 percent of the total).

Although the program for needy schools exceeded the previous year in each month of FY-1969, a big step-up began about December 1968. In March 1969 over 5 times as many meals were being served in needy schools to 6 times as many children. For the School Lunch Program as a whole, participation was up 2½ percent over that in March 1968 and the proportion of free or reduced-price meals had risen to 16 percent.

Through March 1969, milk served under the Special Milk Program was running about 4 percent under the rate in FY-1968 when 3 billion pints were distributed by 88,000 schools and 6,000 child-care centers.

The Breakfast Program, begun in January 1967, is designed to provide nutritious breakfasts at schools for children who arrive hungry either because they come from needy families or because they travel long distances to school. During FY-1968, the first full year of operation, a daily average of 168,000 children in 1,325 schools were served 16 million breakfasts. Over 70 percent of these meals were free or at reduced prices. The Federal payment totaled $2 million, about 12-1/2 cents per breakfast. This program has expanded sharply. Nearly 3-1/2 times as many breakfasts were served in 9 months of FY-1969 than during the same period the previous year.

The next issue of the National Food Situation is scheduled to be available November 20, 1969.

The summary is scheduled to be released to the press immediately after the Outlook and Situation Board meeting November 14, 1969.

Table 14.--Wholesale food price indexes and Wholesale Price Index, selected periods 1/
(1957-59=100)

Year and month	Farm products			Processed foods and feeds													
				Meats													
	Eggs	Fresh and dried fruits and vegetables 2/	Total 3/	Beef and veal	Pork	Total	Poultry	Fish	Dairy	Processed fruits and vegetables 2/	Vegetable oil end products	Cereal and bakery products	Sugar and confectionery	Beverages 4/	Total 5/	All food 6/	Industrial commodities 7/	All commodities
1947-49	133.6	94.3	109.2	97.1	112.6	100.9	174.3	80.5	88.6	93.0	123.5	84.8	87.2	75.3	93.9	94.4	79.0	84.2
1960	103.2	100.6	96.9	100.6	91.0	96.8	99.9	102.0	105.0	99.5	90.5	103.2	101.8	98.8	100.0	100.0	101.3	100.7
1961	99.0	93.7	96.0	97.0	93.9	95.1	85.8	107.9	107.5	101.7	102.7	105.1	101.2	98.6	101.6	100.0	100.8	100.3
1962	95.2	97.7	97.7	103.2	94.1	97.8	90.2	119.2	106.9	98.0	97.3	107.6	102.2	99.0	102.7	100.6	100.8	100.6
1963	94.0	96.1	95.7	95.7	88.3	91.5	88.6	112.0	107.5	103.9	88.2	107.3	118.4	100.9	103.3	100.4	100.7	100.3
1964	90.8	103.2	94.3	90.5	88.3	89.0	87.4	107.4	107.8	104.8	89.7	107.8	111.8	106.2	103.1	100.8	101.2	100.5
1965	93.5	101.8	98.4	95.6	108.2	100.8	90.9	112.8	108.5	102.1	101.2	109.0	109.0	105.7	106.7	104.5	102.5	102.5
1966	107.9	102.5	105.6	104.1	117.5	109.9	97.3	127.2	118.5	104.8	104.6	115.4	110.5	105.8	113.0	110.7	104.7	105.9
1967	84.3	101.6	99.7	105.8	105.1	105.4	86.0	125.3	121.9	107.2	102.0	117.1	113.0	106.5	111.7	108.6	106.3	106.1
1968	93.9	108.2	102.2	110.2	103.5	107.7	91.0	135.2	127.7	114.1	100.2	118.2	115.8	109.6	114.1	112.2	109.0	108.7
1969																		
January	122.3	112.0	104.9	112.5	106.6	110.1	92.6	145.1	130.1	113.6	101.1	119.3	119.2	110.8	116.0	115.5	110.9	110.7
February	108.1	108.7	105.0	111.6	105.3	109.8	95.1	146.0	130.2	114.5	102.9	119.3	119.2	111.1	116.3	115.0	111.4	111.1
March	110.9	112.1	106.5	115.3	101.8	110.6	96.1	147.5	130.4	115.1	103.1	119.3	119.5	111.3	116.4	115.7	112.0	111.7
April	97.3	106.8	105.6	120.4	102.7	113.8	92.7	143.3	131.4	115.4	103.3	119.3	120.2	111.4	117.3	115.4	112.1	111.9
May	80.6	126.7	110.5	129.0	110.9	121.3	98.8	146.2	132.5	115.7	103.3	119.4	122.7	111.8	119.4	119.0	112.2	112.8
June	85.9	112.9	111.2	134.2	121.3	128.5	98.4	144.3	133.0	115.6	103.3	119.7	123.0	112.4	121.4	119.9	112.2	113.2
July																		
August																		
September																		
October																		
November																		
December																		
	Seasonally adjusted																	
1968																		
January	74.8	111.1	98.7	---	---	---	---	---	123.3	112.9	98.6	117.1	112.1	107.9	111.7	---	---	---
February	83.1	113.3	101.1	---	---	---	---	---	124.0	113.8	99.0	117.5	112.4	108.6	113.2	---	---	---
March	79.4	113.0	102.2	---	---	---	---	---	123.8	114.4	99.3	117.6	113.7	109.1	113.6	---	---	---
April	73.3	104.4	101.8	---	---	---	---	---	126.8	114.6	100.0	117.5	114.3	109.6	113.9	---	---	---
May	85.7	117.3	103.9	---	---	---	---	---	130.3	114.6	106.0	117.3	114.8	109.5	114.7	---	---	---
June	100.1	100.8	102.9	---	---	---	---	---	129.9	114.3	101.2	117.1	116.8	109.3	114.4	---	---	---
July	97.8	103.5	102.4	---	---	---	---	---	128.9	114.7	101.1	118.0	117.0	109.4	115.1	---	---	---
August	94.1	102.5	100.8	---	---	---	---	---	128.8	115.7	102.0	119.4	116.4	109.6	114.7	---	---	---
September	109.8	103.0	102.2	---	---	---	---	---	128.1	114.7	101.5	119.2	117.8	110.1	114.2	---	---	---
October	99.7	107.2	102.1	---	---	---	---	---	129.2	113.8	99.0	119.3	118.0	110.5	114.2	---	---	---
November	96.8	110.5	104.5	---	---	---	---	---	129.1	113.0	99.5	118.8	117.9	110.7	115.2	---	---	---
December	107.6	113.1	103.7	---	---	---	---	---	129.2	112.5	100.5	119.1	118.7	110.5	114.7	---	---	---
1969																		
January	128.1	112.9	105.3	---	---	---	---	---	130.1	112.7	100.0	---	118.3	---	115.7	---	---	---
February	111.1	106.8	104.5	---	---	---	---	---	130.6	114.5	102.1	---	118.3	---	116.1	---	---	---
March	110.1	109.0	106.3	---	---	---	---	---	131.2	115.2	102.7	---	119.5	---	117.1	---	---	---
April	106.1	102.1	105.1	---	---	---	---	---	132.2	115.5	103.4	---	120.9	---	118.6	---	---	---
May	96.1	117.4	109.6	---	---	---	---	---	133.8	115.9	103.7	---	123.4	---	120.2	---	---	---
June	95.3	111.8	111.3	---	---	---	---	---	133.1	115.4	104.1	---	123.2	---	120.7	---	---	---
July																		
August																		
September																		
October																		
November																		
December																		

1/ For earlier annual data, see table 106, Food Consumption, Prices and Expenditures, Agricultural Economics Report No. 138, page 179, by Stephen J. Hiemstra. 2/ Includes potatoes. 3/ In addition to items listed separately, includes grains, livestock, live poultry, plant and animal fibers, milk, hay, hayseeds, oilseeds, and other farm products such as coffee beans, cocoa beans and tobacco. 4/ Includes alcoholic beverages. 5/ Includes animal fats and oils, crude and refined vegetable oils, manufactured animal feed, and miscellaneous processed foods in addition to items listed separately. 6/ All food includes all processed foods (omitting soft drinks, alcoholic beverages and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from the farm products group. 7/ Prior to 1967, includes manufactured animal feeds, soft drinks and alcoholic beverages.

Bureau of Labor Statistics.

Table 15.--Retail food price indexes and Consumer Price Index, selected periods 1/

(1957-59=100)

Year and month	Food at home																		
	Meats			Poultry 3/	Fish	Eggs	Dairy products 4/	Fats and oils 5/	Fruits and vegetables			Cereal and bakery products	Sugar and sweets	Beverages	Total	Food away from home	All food	Consumer Price Index, less food	Consumer Price Index
	Beef and veal	Pork	Total 2/						Fresh	Processed	Total								
1935-39	36.5	43.2	37.8	68.7	28.9	60.3	45.9	65.4	37.3	50.2	39.6	45.6	48.3	27.5	42.6	6/	41.9	54.2	48.7
1947-49	86.8	92.8	86.7	132.5	86.4	122.7	88.3	117.9	78.4	88.6	80.9	75.5	85.4	56.1	86.1	6/	84.7	79.7	81.5
1960	104.2	93.8	99.2	95.0	103.5	100.1	103.2	92.1	105.2	101.4	103.8	103.2	103.4	90.7	100.6	105.5	101.4	103.7	103.1
1961	102.5	98.2	100.5	85.8	105.8	100.1	104.8	98.6	103.5	105.6	104.2	105.4	101.4	90.7	101.5	107.8	102.6	104.8	104.2
1962	106.2	99.1	102.5	90.7	110.2	94.6	104.1	98.5	106.3	102.6	105.0	107.6	101.4	89.3	102.2	110.7	103.6	106.1	105.4
1963	105.0	96.6	100.9	89.3	110.0	96.0	103.8	95.7	112.6	108.3	111.0	109.1	110.1	90.4	103.5	113.2	105.1	107.4	106.7
1964	101.9	96.1	99.4	87.3	107.4	95.0	104.7	95.4	119.2	110.8	115.3	109.6	115.5	101.4	104.7	115.2	106.4	108.9	108.1
1965	106.8	109.4	106.9	90.0	110.6	92.8	105.0	102.3	121.7	107.3	115.2	111.2	113.5	100.6	107.2	117 8	108.8	110.4	109.9
1966	112.4	125.1	116.8	94.9	117.8	105.7	111.8	106.2	123.9	109.9	117.6	115.8	111.3	100.0	112.6	123.2	114.2	113.0	113.1
1967	113.1	114.8	113.8	88.9	121.8	88.4	116.7	106.5	124.3	109.2	117.5	118.5	114.7	99.1	112.3	129.6	115.2	116.8	116.3
1968	117.7	115.0	116.4	91.7	123.8	95.3	120.6	104.4	136.0	115.3	126.8	119.0	118.6	101.0	115.9	136.3	119.3	121.9	121.2
1969																			
January	121.1	115.7	118.6	90.8	127.0	119.8	122.7	103.5	136.4	115.3	127.0	120.5	122.7	102.3	118.3	140.3	122.0	124.9	124.1
February	121.3	116.6	119.0	92.3	127.7	116.2	122.8	103.6	132.3	115.3	124.7	120.8	123.1	102.2	118.1	140.7	121.9	125.6	124.6
March	121.4	116.4	119.1	94.2	127.7	108.5	123.0	103.9	137.2	115.8	127.6	121.2	123.8	102.5	118.5	141.3	122.4	126.8	125.6
April	125.1	117.5	121.2	95.3	128.4	109.8	122.9	103.6	137.6	115.9	127.9	121.3	124.4	102.6	119.3	142.2	123.2	127.5	126.4
May	127.9	118.8	123.4	93.3	129.5	97.4	123.6	104.1	140.9	116.3	130.0	121.6	124.7	102.7	119.8	142.8	123.7	127.9	126.8
June	134.6	126.1	129.5	97.3	129.8	92.5	124.0	104.0	142.4	116.3	130.8	122.0	125.2	103.4	121.8	143.7	125.5	128.4	127.6
July																			
August																			
September																			
October																			
November																			
December																			
	Seasonally adjusted																		
1968																			
January	116.2	112.4	114.6	91.1	122.3	81.9	117.9	---	137.7	---	127.0	---	---	---	114.1	---	117.2	---	---
February	116.2	113.9	114.9	87.2	122.7	86.9	118.4	---	135.1	---	125.8	---	---	---	114.3	---	117.4	---	---
March	116.5	116.5	116.1	95.2	121.2	87.6	118.8	---	135.0	---	125.8	---	---	---	114.9	---	118.1	---	---
April	117.3	117.8	116.6	93.3	121.8	92.8	119.4	---	136.3	---	126.9	---	---	---	115.6	---	118.7	---	---
May	118.4	119.1	117.9	93.7	122.7	88.7	120.9	---	139.1	---	128.9	---	---	---	116.3	---	119.4	---	---
June	118.4	115.2	117.3	93.2	123.8	94.9	121.9	---	133.2	---	125.5	---	---	---	115.9	---	119.2	---	---
July	117.9	113.9	116.1	90.4	124.3	96.9	121.5	---	129.9	---	123.4	---	---	---	115.5	---	119.0	---	---
August	118.7	112.9	116.3	93.6	124.4	101.7	121.6	---	133.6	---	125.6	---	---	---	115.8	---	119.7	---	---
September	117.2	112.2	115.5	94.0	125.1	102.1	121.4	---	135.4	---	127.0	---	---	---	116.3	---	120.0	---	---
October	117.8	114.5	116.5	94.2	125.7	106.6	121.7	---	138.4	---	128.4	---	---	---	117.2	---	120.9	---	---
November	119.1	114.5	117.0	93.6	125.9	98.7	121.9	---	138.1	---	128.0	---	---	---	117.2	---	121.0	---	---
December	118.5	116.8	117.7	93.5	126.3	104.0	121.9	---	141.3	---	129.4	---	---	---	117.8	---	121.4	---	---
1969																			
January	121.5	116.5	119.0	94.1	126.5	116.5	122.3	---	141.2	---	129.6	---	---	---	118.5	---	122.2	---	---
February	121.5	117.4	119.1	91.4	127.3	112.4	122.8	---	134.0	---	125.6	---	---	---	118.3	---	122.1	---	---
March	121.8	117.3	119.5	93.2	127.4	110.3	123.2	---	136.7	---	127.3	---	---	---	118.9	---	122.8	---	---
April	126.5	121.0	122.7	96.1	128.3	111.9	123.5	---	134.8	---	126.4	---	---	---	119.7	---	123.6	---	---
May	128.7	124.5	125.9	95.4	129.4	106.6	124.1	---	135.9	---	127.1	---	---	---	120.3	---	124.2	---	---
June	134.9	126.5	130.0	99.9	129.9	103.6	124.5	---	135.2	---	127.0	---	---	---	121.8	---	125.5	---	---
July																			
August																			
September																			
October																			
November																			
December																			

1/ For earlier annual data, see table 96, Food Consumption, Prices, and Expenditures, Agricultural Economic Report No. 138, July 1968, page 165, by Stephen J. Hiemstra. 2/ Beef, veal, lamb and mutton, pork, and processed meat. 3/ Unadjusted index includes turkey beginning 1964; seasonally adjusted indexes are for frying chicken only. 4/ Includes butter. 5/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI. 6/ Data not collected prior to 1953.

Bureau of Labor Statistics.

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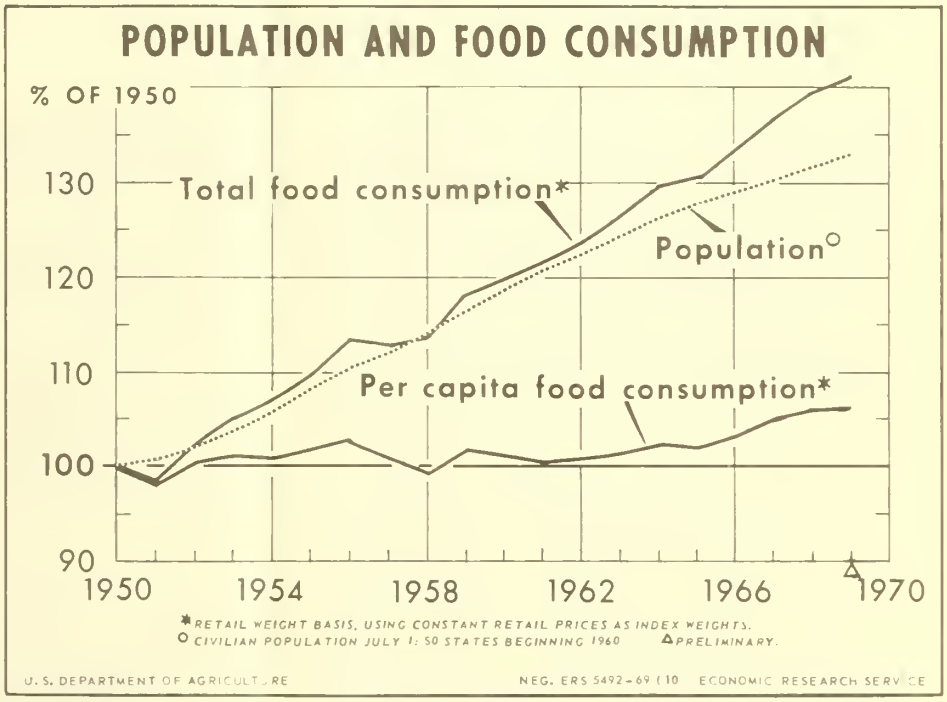
NATIONAL FOOD SITUATION

NFS-130 NOVEMBER 1969

Per capita food consumption in 1969 is remaining at the same level as in 1968, following 3 years of substantial increase. Consumption of crop food products is increasing but use of livestock products is decreasing slightly this year. Nevertheless, in response to population growth, total use of food is again rising slightly this year.



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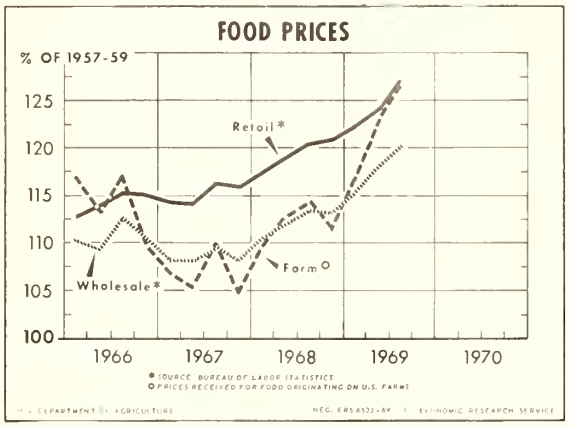

Figure 1

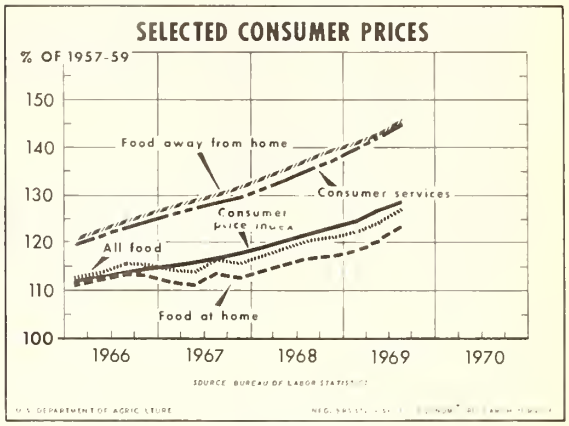

Figure 2

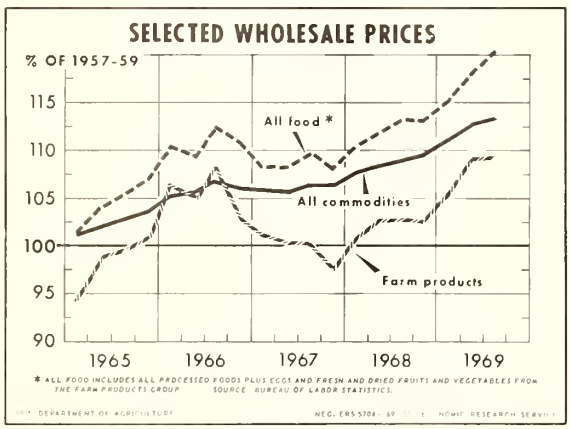

Figure 3

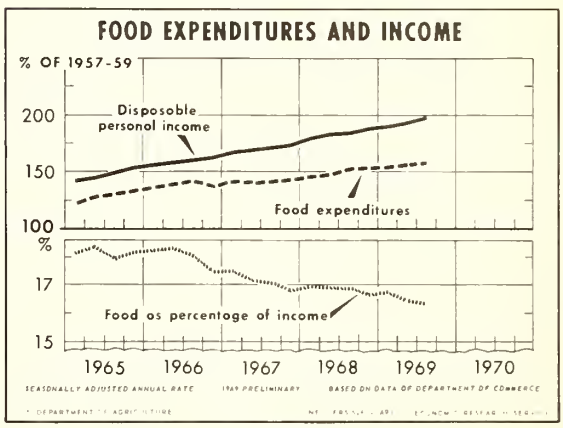

Figure 4

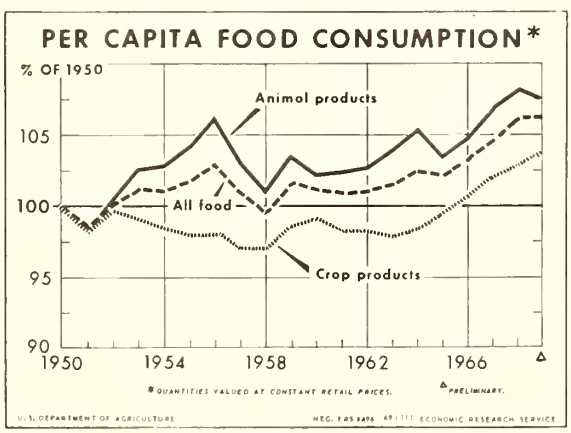

Figure 5

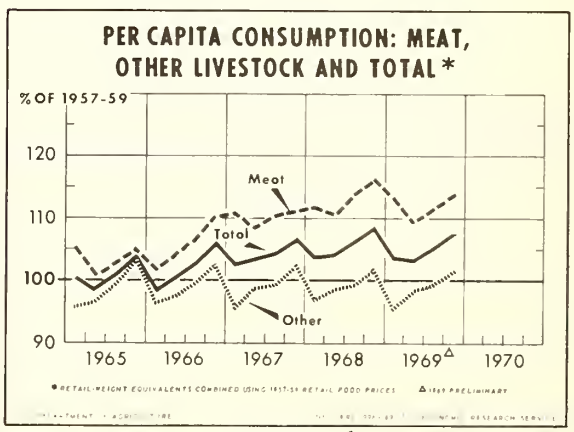

Figure 6

NATIONAL FOOD SITUATION

Approved by the Outlook and Situation Board, November 14, 1969

CONTENTS

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SUMMARY*

Some further increase in retail food prices is likely between now and mid-1970, but the rate of increase should slow perceptibly from this year's rates.

Consumers likely will encounter a period of relatively stable food prices late this year. Supplies of food products are seasonally large in the fall. In addition, larger supplies of some foods such as fruits, potatoes, poultry, and eggs are expected to help hold the price line. But prices at retail this winter and into mid-1970 will also depend on the general level of economic activity.

Some signs of the much heralded but reluctant slowdown in economic activity appear to be on the horizon. If the slowdown bites further into employment, payroll increases may slacken and income gains narrow. On the other hand, favoring continued income gains are the scheduled end of the income surtax and likelihood of a substantial increase in social security payments.

Retail food prices this year are expected to average nearly 5 percent higher than in 1968. This increase exceeds last year's $3\frac{1}{2}$-percent rise and nearly matches that of 1966. But it is a little below this year's rise in the overall Consumer Price Index. The 1970 rise in food prices will likely be smaller than 1969's.

Food price increases this year reflect a continued rise in consumer demand and inflationary pressures with no change in per capita supplies of food. Prices for food away from home are up somewhat more than those for food at grocery stores. Prices for animal products have risen the most this year. Increases have been particularly large for meat, fish, and eggs. Prices for fats and oils products and for fruits and vegetables are averaging about the same as in 1968.

Most of the retail price increases in the first half of 1969 resulted from higher prices paid to livestock producers, as their marketings faltered a little, concurrently with an increase in demand for meat. Farm and wholesale prices peaked about midyear. Since about July, price increases at retail have reflected widening marketing margins in response to higher costs of labor and other inputs.

Total sales by retail food stores this year have increased relatively little. Most of the gain has taken place in sales by firms with 11 stores or more. Smaller firms' sales apparently have remained about stable despite price increases. Sales by eating and drinking places have been

*A copy of the summary plus a table were released on November 14, 1969.

especially weak this year, judging from preliminary figures. But sales by multi-unit outlets have surged ahead.

Total food expenditures for the year likely will amount to about $104 billion, up 4 to 4½ percent from a year earlier. The increase is less than usual for a 7-percent increase in consumers' disposable income. Food expenditures will amount to about 16.5 percent of disposable income in 1969, off from 16.8 percent in 1968. Expenditure increases next year also are expected to remain moderate. They likely will not match this year's gain, if economic activity slows as expected.

The total annual utilization of farm food commodities this year is exceeding the 1968 level only slightly. On a per capita basis, total utilization is down a little. Use of food commodities by civilians is up nearly as much as population growth, but military food purchases are falling short of those in 1968. Exports of food commodities also are below 1968 levels.

Per capita food consumption this year is expected to be about the same as in 1968. Some increase is expected for crop food products--mostly fruits--but some decline is likely for animal products. Meat supplies and consumption trailed a year earlier in both the second and third quarters of the year. The dip in supplies and growing demand sparked the price increases. Consumption of eggs, dairy products, and animal fats also is falling short, but consumption of poultry this year is running well above a year earlier.

Little change in food consumption is likely next year. But some further increase in per capita consumption of crop food commodities is expected. Consumption of most kinds of fruit this winter and next spring likely will continue above a year earlier because of large available supplies and lower prices. Poultry and egg consumption likely will increase. However, meat consumption is expected to remain below year-earlier levels through the winter because of lower prospective hog slaughter.

FOOD PRICES

Food prices at grocery stores in September averaged the same as in August--the first halt to the upswing since February (table 14, p. 34). September's stability was due mostly to lower prices for fruits and vegetables. Meat prices advanced another 1 percent, led by pork.

Food prices typically drop between August and September in response to seasonally larger supplies of fruit, pork, and foods in general. Since prices remained about steady this year, prices seasonally adjusted show a further rise from the August level.

Third Quarter Prices Up

Third quarter prices for food at retail averaged 2½ percent higher than in the second quarter and nearly 6 percent above a year earlier (figs. 1 and 2, inside cover). Between the second and third quarters, prices of food for use at home increased slightly more than prices of food away from home. But compared with a year earlier, prices of food away from home have increased slightly faster (table 1).

The 2½-percent food price increase in the third quarter was about double the average price increase for all other goods and services. Much of this sharper rise in food prices, however, was due to seasonal factors. Food prices typically reach their high of the year in the third quarter when food supplies are relatively the least abundant--just prior to the heavy fall marketing season. Compared with a year earlier, prices in 1969 for food and all other goods and services have increased at about the same rate.

Wholesale prices for processed foods in September were down about 1 percent from the July peak (table 13, p. 33). But average for the third quarter was 2 percent above that of the second quarter (fig. 3, inside cover). Preliminary data for

Table 1.—Consumer, wholesale, and farm price indexes, 1968-69
(1957-59=100)

Item	1968			1969			
						III	
	III	IV	Year	I	II	Index	Percentage change from 1968 III
Retail prices: 1/							
All goods and services (CPI)	121.9	123.3	121.2	124.8	126.9	128.7	5.6
All items less food	122.6	124.3	121.9	125.8	127.9	129.4	5.5
All food	120.3	120.9	119.3	122.1	124.1	127.2	5.7
Food at home	116.9	117.1	115.9	118.3	120.3	123.4	5.6
Food away from home	137.2	139.4	136.3	140.8	142.9	145.8	6.3
Wholesale prices: 1/							
All commodities	109.0	109.5	108.7	111.2	112.6	113.4	4.0
Industrial commodities	109.0	110.0	109.0	111.4	112.2	112.8	3.5
Farm products	102.7	102.5	102.2	105.5	109.1	109.3	6.4
Processed food	114.8	113.9	113.3	115.8	119.6	122.0	6.3
All food 2/	113.3	113.2	112.2	115.4	118.1	120.2	6.1
Prices received by farmers: 3/							
Crops	101	102	103	101	104	98	-3.0
Livestock and products	114	114	112	117	124	128	12.3
Average	109	108	108	110	115	115	5.5
Market basket of U.S. farm foods: 4/							
Retail cost	114.8	114.8	113.8	115.8	118.2	121.5	5.8
Farm-retail spread	115.1	117.0	114.9	115.2	115.0	118.1	2.6
Farm value	114.5	111.6	112.1	116.8	123.0	126.8	10.7

1/ Department of Labor, Bureau of Labor Statistics.

2/ All food includes all processed foods plus eggs and fresh and dried fruits and vegetables from the farm products group.

3/ Statistical Reporting Service.

4/ Economic Research Service.

October show little change from September prices.

One step further back in the marketing channel, wholesale farm product prices averaged 3 percent lower in September than the peak reached in June. Nevertheless, the third quarter average equaled that of the second quarter. Both farm and wholesale food prices averaged 6 percent above a year earlier during the third quarter, about the same rise as for retail prices. Preliminary data for October show a further $\frac{1}{2}$ percent drop from September for farm product prices.

Livestock products account for most of this year's advance in food prices--both at farm and retail levels. Livestock product prices at retail averaged 9 percent above a year earlier in the third quarter, compared with a rise of only 2 percent for crop products. Meat, poultry, and eggs all participated strongly in the food price increase in the third quarter. Prices for fruits and vegetables and for fats and oils remained about the same.

The increase in food prices in the third quarter reflected cost increases and a continuing strong demand for food backed up by increasing purchasing power of consumers. However, a good part of the price increase--over and above seasonal considerations--was due to per capita supplies of livestock products running below a year earlier.

Recent declines in prices received by farmers resulted in a substantial widening in the farm-retail price spread month-by-month within the third quarter since retail prices increased or remained the same. This spread averaged $2\frac{1}{2}$ percent wider than in the second quarter, and also $2\frac{1}{2}$ percent wider than a year earlier. This followed previous stability in the spread through the second quarter of 1969. The widening spread contributed importantly to price increases at retail in the third quarter, because marketing costs make up about three-fifths of the average value of the consumer's food dollar.

Outlook for Prices

Relatively little increase is expected in average retail food prices between now and the middle of 1970. Little further change this winter is likely in meat prices, in view of reduced supplies of pork and a growing demand for beef. Prices for coffee likely will rise because of recent increases at wholesale, following a long period of stable prices. Prices for dairy products, cereal and bakery products, and sugars and sweets likely will continue gradually upward. Little change is likely for fats and oils products. But steady to lower prices for many foods probably will reflect larger supplies. These include fruits, potatoes, chicken, and eggs. Prices of both citrus and noncitrus fruits are expected to be favorable to consumers this fall and winter. Lower prices are in sight for both fresh and processed items.

Prices for food away from home likely will continue upward in line with the costs of labor and prices of other consumer services. Thus, some small overall increase in food prices is likely into mid-1970.

Retail food prices in 1969 likely will average nearly 5 percent above those in 1968. This increase compares with a $3\frac{1}{2}$-percent increase for 1968, but about matches the 5-percent gain for 1966.

A pronounced slowing is expected in food price increases. Food prices in 1970 likely will average somewhere in the neighborhood of 3 percent above those in 1969. This expectation is based upon prospects for further but increasingly constricted economic growth. Past inflationary pressures likely will continue to be exerted into at least midyear even though we likely will be in the grips of a slowdown in general economic activity.

Prices received by farmers for food commodities likely will contribute to the relatively stable retail food price picture in 1970. Prices for several items likely will continue to retrench from peak levels earlier this year.

FOOD SPENDING AND INCOME

Third Quarter Growth

A substantial increase in disposable personal income in third quarter 1969 led to some increase in food spending (fig. 4, inside cover). The income gain in the third quarter exceeded that of the second quarter. Income was nearly 8 percent above a year earlier. However, much of the increase was offset by higher prices. In terms of dollars with constant purchasing power, the increase was 3 percent.

The third quarter increase in income was greater than the increase in personal expenditures for all consumer items. Consequently, the personal savings rate moved up to 6.4 percent of after-tax income from 5.3 percent in the second quarter.

Expenditures for food in the third quarter amounted to $103.7 billion, seasonally adjusted annual rate. Although up by 1 percent, the increase over the previous quarter was not as large as the 2½-percent increase in retail food prices. Similarly, the increase in food spending of 3 percent, compared with the same quarter in 1968, was less than the nearly 6-percent rise in prices.

All of the gain in food spending in the third quarter occurred in purchases of food for use at home. Expenditures for food away from home eased slightly from the second quarter even though prices averaged 2 percent higher. At the third quarter level, estimated dollar purchases were only 2 percent above a year earlier even though (or perhaps because) prices averaged 6 percent higher.

Store Sales Weak

Reported retail sales present somewhat of an enigma this year in view of rising prices and incomes. Increases in all retail sales--both food and other consumer items--are less than would be expected on the basis of past relationships. Recent changes in sampling procedures have led some observers to question the reported data. However, the data suggest a slowing in growth of the economy may already be well underway.

Sales by retail food stores in the third quarter are estimated at 3 percent above a year earlier (fig. 7). This increase is larger than the 1-percent increase for total sales by eating and drinking places and the 2-percent rise in sales of the entire retail trade (figs. 8 and 9). But all of these sales increases fall short of their respective price increases.

Figure 7

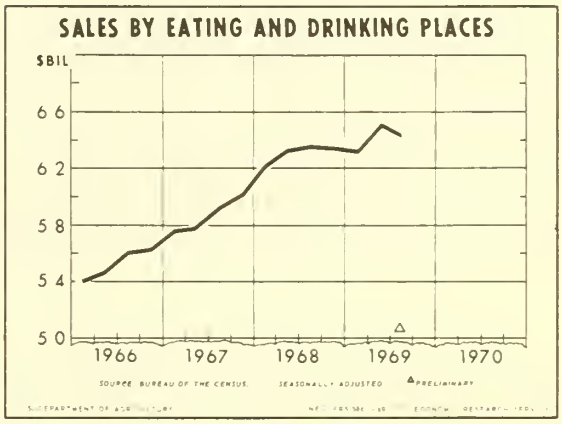

Figure 8

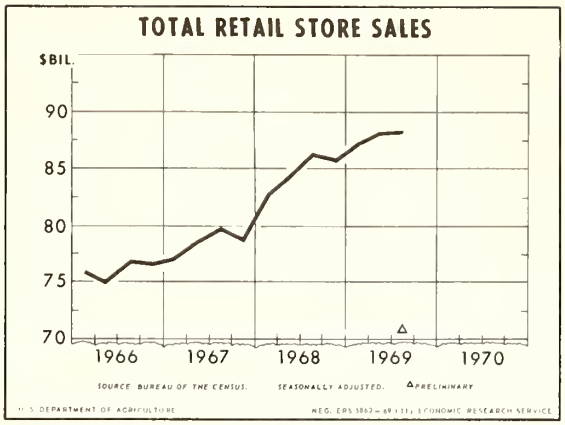

Figure 9

Outlook for 1970

Some further increases in food spending are likely this fall and again in 1970. Income gains likely will continue fairly large even though some slowing in economic growth appears to be taking place. Despite the strong showing of income for the third quarter as a whole, personal income growth in September slowed to a crawl--unemployment jumped from 3.5 to 4.0 percent and industrial production eased. October unemployment eased to 3.9 percent.

Food expenditures for 1969 probably will about equal $104 billion, up 4 to 4½ percent from 1968. The increase is less than the rise in food prices after allowing for the 1-percent growth in population. The comparative weakness in purchases of food away from home--assuming preliminary estimates hold up--is contributing to the lack of vigor in overall food spending. Typically, the rise in spending for food away from home nearly matches income growth, but this year it apparently will not be as large as the rise in spending for food at home.

Expenditure gains for total food in 1970 may not be quite as large as in 1969. Quantity increases likely will match population growth, but price increases are expected to narrow. Income growth probably will be about maintained. Disposable income may receive a shot in the arm early in 1970 as a result of expiration of the income surtax, probable increases in social security payments, and rising wage rates.

A further drop is likely in the percentage of income spent for food in 1970. This year's food spending likely will amount to around 16½ percent of disposable income, compared with 16.8 percent in 1968. Both food at home and away from home are contributing to the decline.

Spending Per Capita and Per Family

Estimated food spending of $104 billion in 1969 amounts to an overall average of $512 per capita. The Bureau of the Census reported that as of March 1969, there were 61,805,000 family units in the United States. On this basis, the average family unit (including single-person families) is spending $1,683 for food.

Of the 61,805,000 family units, 11,389,000 were single individuals, and 50,416,000 were 2-or-more-person families. Information derived from the 1960-61 Survey of Consumer Expenditures showed that single individuals on the average spent a little more than half again more for food than did the average of all individuals living in 2-or-more-person family units. Assuming the 11,389,000 single individuals this year are spending for food at the rate of $812 per capita, the average family is spending approximately $1,802. 1/ This amounts to about $35 per week, including expenditures for food away from home. The average family size was reported as 3.64 persons. Thus, spending by 2-or-more-person families is averaging about $495 per capita this year--and, of course, spending per person will vary by size of family.

1/ After allowing for the estimated spending of $3.9 billion by the estimated 7.6 million persons not in family units (partly military).

FOOD SUPPLY AND UTILIZATION

The total annual utilization of farm food commodities this calendar year is exceeding 1968, but only slightly--less than the growth in population (table 2). Use of all commodities for civilian food is up nearly 1 percent, almost as much as the rise in population, but military purchases this year likely will fall short of the 1968 level. Exports of food commodities also are running below year-earlier levels. (See pages 22 and 23 for values of exports and imports so far this year.)

Use of livestock commodities for civilian food is up slightly in total this year, and exports may be a little larger. But military purchases and nonfood uses probably are down. Use of crop food commodities for civilian food this year is up 2 percent and feed use is running higher. Partly offsetting is a small decline in exports and military purchases. Food purchases by the military in the second quarter dropped substantially from year-earlier levels for all major commodities except processed vegetables (table 3).

Imports of crop food commodities this year are falling short of last year. But imports of livestock commodities likely will about equal those of last year. In total, about 13½ percent of the domestic utilization of all farm and fishery products (total utilization minus exports) is being imported this year, down from 15 percent in 1968. Similarly, the importance of exports is declining this year--down to 14½ percent of the total domestic supply (production plus stock change) from 15 percent in 1968. Other recent years are as follows:

	Imports as percentage of domestic use	Exports as percentage of domestic supply
1960	13.4	15.4
1961	13.9	15.3
1962	14.6	14.7
1963	14.5	16.0
1964	13.0	17.3
1965	13.1	15.9
1966	13.9	16.7
1967	13.4	15.3
1968	14.7	15.3

Little change is taking place in total production of farm food commodities this year. But stock levels may be slightly larger than a year earlier by December 31. A small increase in total utilization is virtually all due to increased use of crop food commodities, mostly fruit, grains, and soybeans. Use of livestock commodities is remaining about the same despite population growth.

Output of all livestock commodities this year will total about the same as in 1968. Only poultry production among major livestock products will run much above last year's level. Beef production likely is up slightly but lower output is occurring for pork, eggs, milk, and animal fats. Among the crop foods, fruit production will far exceed that in 1968. Both citrus and noncitrus products are outpacing their 1968 levels. Output of potatoes, dry edible beans, sugar, peanuts, and vegetable oils--all are up this year. But lower output is taking place for fresh and processed vegetables, melons, and wheat.

Output of food commodities in the coming year may step up a bit from 1969's static level. Some increase in both imports and exports also is likely. Utilization for civilian food may be higher in 1970, although military purchases likely will decline in line with any reduction in personnel. Pork supplies likely will remain below a year earlier through the winter. Chicken, turkey, and egg production all are expected to experience gains, but little change is likely in milk production. Food crop output, of course, depends importantly upon next year's growing conditions. However, current indications based on past trends and economic conditions suggest a further small increase.

Table 2.--Livestock, crop, and total farm food commodities: Supply-utilization indexes by component and relationship of components to annual utilization, 1964 to date 1/

Year	Supply: Production	Supply: Imports 2/	Supply: Stocks 3/	Total annual utilization	Utilization: Domestic use: Food: Civilian	Utilization: Domestic use: Food: Military	Utilization: Domestic use: Nonfood: Seed and feed	Utilization: Domestic use: Nonfood: Other	Utilization: Domestic use: Total	Utilization: Exports and shipments 4/
	A.--All food commodities (1957-59=100) 5/									
1964	110.9	102.6	119.5	118.0	112.1	113.3	---	104.4	111.8	181.4
1965	116.1	101.4	108.8	117.4	112.1	127.6	---	108.4	112.3	170.3
1966	114.4	109.7	110.0	120.4	114.0	136.2	---	110.2	114.3	183.4
1967	123.8	110.2	102.9	121.9	117.8	140.9	---	105.5	117 8	164.5
1968 6/	123.9	123.1	112.2	124.6	120.8	137.8	---	107.4	120.7	165.3
1969 6/	123.1	112.1	119.0	125.1	121.9	128.5	---	106.8	121.5	162.8
	Livestock food commodities (1957-59=100)									
1964	114.4	137.9	133.6	115.6	114.4	112.8	98.5	94.5	111.8	192.1
1965	112.5	130.1	106.5	113.2	113.4	124.1	94.7	93.6	111.0	132.6
1966	114.6	172.5	88.3	115.2	116.1	132.8	100.1	87.4	113.7	104.7
1967	118.5	181.7	102.4	118.7	120.0	143.8	88.1	90.9	117.2	106.6
1968 6/	119.2	198.9	131.9	121.2	122.7	143.2	84.9	93.6	119.6	113.5
1969 6/	119.3	198.9	114.5	121.3	123.1	131.9	85.3	87.7	119.6	114.8
	Crop food commodities (1957-59=100)									
1964	106.0	97.1	118.8	117.6	107.2	114.8	110.5	110.3	108.7	178.9
1965	117.5	96.7	108.9	118.7	109.4	135.9	109.2	117.4	109.9	179.1
1966	118.1	100.2	111.1	127.5	109.6	148.0	125.4	124.0	116.7	201.9
1967	128.0	99.7	102.9	123.8	113.0	130.9	119.9	114.3	115.9	178.1
1968 6/	129.6	111.7	111.2	127.7	116.9	118.8	126.1	115.7	120.5	177.4
1969 6/	130.1	99.4	119.2	130.5	119.3	116.8	131.8	118.4	124.2	174.1
	B.--All food commodities: Percentage of annual utilization 5/									
1964	86.1	9.9	4.0	100.0	82.0	1.5	---	2.9	86.4	13.6
1965	90.6	9.9	-.5	100.0	82.4	1.8	---	3.0	87.2	12.8
1966	87.0	10.4	2.6	100.0	81.8	1.8	---	2.9	86.5	13.5
1967	93.0	10.3	-3.3	100.0	83.4	1.9	---	2.8	88.1	11.9
1968 6/	91.1	11.3	-2.4	100.0	83.7	1.8	---	2.8	88.3	11.7
1969 6/	90.1	10.3	-.4	100.0	84.1	1.7	---	2.7	88.5	11.5
	Livestock food commodities: Percentage of annual utilization									
1964	96.7	2.5	.8	100.0	90.0	1.9	2.3	1.5	95.7	4.3
1965	97.0	2.5	.5	100.0	91.0	2.1	2.3	1.6	97.0	3.0
1966	97.2	3.2	-.4	100.0	91.6	2.2	2.4	1.4	97.6	2.4
1967	97.5	3.3	-.8	100.0	91.9	2.3	2.1	1.4	97.7	2.3
1968 6/	96.0	3.5	.5	100.0	91.9	2.3	2.0	1.4	97.6	2.4
1969 6/	96.1	3.5	.4	100.0	92.1	2.1	1.9	1.4	97.5	2.5
	Crop food commodities: Percentage of annual utilization									
1964	78.9	14.9	6.2	100.0	44.5	.6	32.1	3.4	80.6	19.4
1965	86.7	14.7	-1.4	100.0	45.0	.8	31.5	3.5	80.8	19.2
1966	81.0	14.2	4.8	100.0	42.0	.7	33.6	3.5	79.8	20.2
1967	90.4	14.6	-5.0	100.0	44.6	.7	33.1	3.3	81.7	18.3
1968 6/	88.8	15.8	-4.6	100.0	44.7	.6	33.7	3.3	82.3	17.7
1969 6/	87.2	13.8	-1.0	100.0	44.7	.6	34.5	3.2	83.0	17.0

1/ Quantities weighted by constant farm prices. Domestic use allocated on the basis of value of processed products. On 50-State basis. Includes essentially all commodities having any U.S. food use. For list of food commodities and comparable data for 1950-63, see National Food Situation, NFS-124 (May 1968), pp. 15-17.

2/ Includes shipments from U.S. Territories.

3/ Farm (other than live animals), commercial, and Government program holdings. Section A: January 1; derived by applying annual changes to January 1961 level to avoid inconsistent coverage. Section B: Data represent stock changes. Negatives indicate stock increases; positives signify withdrawals.

4/ Includes shipments to U.S. Territories.

5/ Feed and seed omitted from total commodities to avoid double counting of use through livestock.

6/ Preliminary.

Table 3.--Military food purchases, 1967, 1968 and January-June 1969 1/ 2/

Item	1967	1968					1969	
		I	II	III	IV	Year	I	II
	Million pounds							
Meat: 3/								
Beef and veal	734R	167	198	168	155	688	162	165
Pork	269	69	92	74	53	288	64	63
Other	3	2	1	1	1	5	1	2
Fish 4/	50	9	14	12	8	43	7	10
Chicken and turkey 5/	148	40	40	43	40	163	36	23
Eggs 6/	173	42	47	40	39	168	33	26
Dairy products 7/	2,117R	---	---	---	---	3,229R	---	---
Fats and oils 8/	165	28	41	26	33	128	16	31
Fruits:								
Fresh	220	57	57	51	55	220	59	52
Processed	410	24	115	82	86	307	35	55
Vegetables:								
Fresh 9/	868	184	174	142	207	707	184	161
Processed	350	34	54	64	179	331	87	88
Cereal products:								
Wheat flour 10/	208	49	79	49	50	227	25	59
Other cereal products	60	16	19	53	17	105	15	16
Sugar and sirups 11/	191	27	21	32	37	117	14	25
Coffee, tea, and cocoa 12/	47	5	19	16	13	53	2	9
Value of central procurement (million of dollars) 13/	$1,052	$223	$292	$297	$242	$1,054	$230	$232
Percentage of total quantity of food used in the United States 14/	2.2%	---	---	---	---	2.1%	---	---

1/ Centrally procured food only, except for dairy products. 2/ Data in terms of product weight unless otherwise indicated. 3/ Carcass weight basis. 4/ Major fish and shellfish items only. 5/ Ready-to-cook basis. 6/ Shell equivalent. 7/ Milk equivalent (butter-fat basis) of all dairy products. Includes locally procured items estimated by USDA. 8/ Includes salad dressing, mayonnaise, and peanut butter; excludes butter. 9/ Includes potatoes and sweetpotatoes. Dehydrated onions and potatoes are converted to fresh weight equivalent. 10/ Wheat flour equivalent. 11/ Excludes sweeteners in manufactured products. 12/ Coffee, roasted bean basis; tea, leaf basis; and beverage cocoa. 13/ Includes minor amounts of nonfood products and food items other than those listed above. 14/ Estimate of total quantity of military consumption; derived from data in table 2.

Based primarily on data from the U.S. Department of Defense, Defense Personnel Support Center, Philadelphia, Pennsylvania. Refer to the February 1968 National Food Situation for 1964, 1965, and 1966 data.

CONSUMPTION AND DEMAND

Per capita food consumption this year is expected to be about the same as in 1968. Some increase is expected for crop food products--due mostly to an increase for fruits--but consumption of animal products likely will fall a little short of the 1968 level (fig. 5, inside cover, and table 4). In terms of food consumed on a retail-equivalent basis, animal products are expected to drop about 3 pounds from last year's 637 pounds and crop products increase about 4 pounds from last year's 801 pounds. Little overall change is expected in total calories per capita per day.

Per capita consumption of meat in the third quarter averaged 2 percent less than a year earlier (table 5 and fig. 6, inside cover). Meat consumption in the second quarter also trailed the year-earlier rate. Eggs and animal fats fell short of year-earlier consumption levels during both the second and third quarters, too. But poultry consumption has been 5 to 6 percent above a year earlier. In total, per capita consumption of animal products was 1 percent below a year earlier in both the second and third quarters. Although these declines appear small, lower supplies of meat--instead of usual increases--accompanied by an expanding demand gave a fillip to retail prices.

Per capita consumption of selected crop products in the third quarter indicated some decline from a year earlier for sugar and cocoa products, a slight increase for coffee, and no change for corn sweeteners (table 6). But information is not available quarterly for the major food crops.

Outlook for Consumption

Prospective supplies indicate that per capita consumption of livestock products will continue the same to slightly below year-earlier levels into mid-1970. Meat production is expected to reflect lower slaughter of hogs than a year earlier through the winter. Supplies of poultry are expected to continue well above year-earlier rates, which likely will about offset the decline in red meat. Egg supplies are expected to gain on year-earlier levels this winter and be higher throughout 1970. Production of milk next year may equal this year's level, but per capita consumption may ease again in line with its postwar downtrend.

Consumption of fruit this winter and next spring likely will continue above the year-earlier level because of the large supplies of most products expected to be available and lower prices. Similarly, potato consumption may be a little larger because of an increase in supplies expected this fall and winter and an uptrend in consumption of processed potatoes. On the other hand, little change is likely in consumption of vegetables, cereal and bakery products, sugar, and coffee.

Thus, some small increase in consumption of crop food products is expected in 1970. But for all food little change in per capita consumption is likely.

Demand for livestock Products Strong

Red meat consumption in 1969 likely will be a little less than last year's 183 pounds per capita, but total production will about equal last year's record (tables 7 and 8). The decline in per capita consumption will be counterbalanced by an increase in consumption of chicken and turkey. But consumption of total meat and poultry will fail to show its usual increase.

Per capita consumption of beef and veal this year is totaling about the same as in 1968 (fig. 10). Some decline in consumption of veal will be made up by an increase for beef. Per capita consumption of beef and veal has trended generally upward over the past 2 decades. At the same time, retail prices have increased, although no more rapidly than the average of all other foods. Rising prices in the face of rising consumption illustrate the increasing demand for beef. The increase in demand has been expressed as an increase in retail prices when consumption

Table 4.--Food consumption per capita, 1960-69 1/
(1957-59=100)

Selected years	Meat	Poultry	Fish	Eggs	Dairy products 2/	Fats and oils			Fruits 3/		
						Animal 2/	Vegetable	Total	Fresh	Processed	Total
1960	102	102	98	94	98	92	106	99	97	102	99
1961	101	112	102	92	97	94	103	99	93	99	96
1962	102	110	101	92	97	93	107	100	89	103	95
1963	105	112	102	89	97	89	112	101	80	94	87
1964	108	114	99	89	97	87	119	103	85	91	88
1965	104	122	103	88	96	83	121	102	87	96	92
1966	106	131	102	88	95	75	134	105	87	97	92
1967	110	136	102	91	93	75	131	104	87	107	97
1968	113	134	104	90	94	77	137	107	85	104	94
1969 4/	112	140	104	88	92	73	141	108	89	110	99

	Vegetables 5/			Potatoes and sweetpotatoes		Cereal products	Sugar and sweeteners	Coffee, tea, and cocoa	All food		
	Fresh	Processed	Total	Fresh	Processed				Animal products	Crops 6/	Total
1960	100	103	101	94	131	100	102	101	99.6	101.5	100.5
1961	98	104	99	92	137	99	102	102	99.7	100.7	100.1
1962	95	109	99	88	150	98	103	103	100.1	100.8	100.4
1963	94	109	99	90	160	97	103	106	101.3	100.2	100.8
1964	93	111	98	82	178	98	103	103	102.8	100.7	101.8
1965	93	116	99	77	202	98	103	100	100.9	102.0	101.4
1966	91	118	99	77	229	96	104	100	102.1	103.0	102.5
1967	93	122	102	73	234	97	104	101	104.1	104.5	104.3
1968	92	126	102	74	247	98	106	101	105.6	105.5	105.6
1969 4/	92	126	102	71	254	97	106	100	104.9	106.5	105.6

1/ Civilian consumption only. Quantities of individual foods are combined in terms of 1957-59 retail prices. Data for earlier years, are given in table 2, National Food Situation, NFS-124 (May 1968), p. 2, and in table 1, Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, July 1968. 2/ Includes butter. 3/ Excludes melons and baby food. 4/ Preliminary. 5/ Excludes soup, baby food, dry beans and peas, potatoes, and sweetpotatoes. 6/ Includes melons, dry beans and peas, nuts, soup, and baby food in addition to groups shown separately.

Table 5.--Livestock products: Per capita civilian consumption indexes, quarterly, 1966-69 1/
(1957-59=100)

Year and quarter		Meat	Poultry	Eggs	Dairy products		Animal fats, including butter	Total livestock products 2/
					Excluding butter	Including butter		
1966	I	101.9	103.2	88.4	98.7	96.9	80.1	98.8
	II	104.2	120.0	85.8	98.4	95.8	71.7	100.5
	III	106.9	139.4	86.7	97.3	93.9	70.1	102.9
	IV	110.3	159.7	91.5	94.4	92.5	77.0	105.9
1967	I	110.7	110.3	90.9	95.1	93.2	77.8	102.4
	II	108.6	128.3	88.3	98.4	95.4	70.3	103.4
	III	110.2	143.2	90.0	94.8	92.0	73.0	104.3
	IV	111.0	164.0	93.9	92.4	90.7	79.4	106.2
1968	I	111.9	114.2	92.7	96.4	94.4	79.7	103.9
	II	110.7	124.8	88.5	98.0	95.4	74.6	104.2
	III	114.0	139.0	87.8	96.2	93.7	76.4	106.2
	IV	116.1	159.5	90.8	93.5	91.2	77.3	108.2
1969 3/	I	113.5	115.4	89.2	95.0	92.6	74.4	103.7
	II	109.4	132.0	86.6	97.1	94.2	68.3	103.4
	III	111.6	146.1	86.6	94.8	92.0	73.0	105.0
	IV	114.0	167.8	90.0	92.0	89.9	77.3	107.4

1/ Quantities of individual foods, measured in pounds equivalent to the form sold by retail food stores, combine in terms of average 1957-59 retail prices. Data since 1955 are in Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, July 1968. 2/ Excludes fish and honey. 3/ Preliminary.

Table 6.--Selected crop foods: Civilian per capita consumption, quarterly, 1967-69 1/

Year and quarter		Cane and beet sugar 2/	Corn sweeteners			Coffee 3/	Cocoa and chocolate 3/
			Corn sirup	Dextrose	Total		
		Lbs.	Lbs.	Lbs.	Lbs.	Lbs.	Lbs.
1967	I	21.0	3.2	1.1	4.3	4.0	1.06
	II	24.3	3.3	1.2	4.5	3.6	1.01
	III	28.5	4.1	1.2	5.3	3.3	1.00
	IV	23.3	3.4	1.1	4.5	3.9	1.13
1968	I	21.4	3.3	1.1	4.4	4.0	1.12
	II	24.9	3.5	1.2	4.7	3.5	1.07
	III	28.9	4.3	1.2	5.5	3.4	1.02
	IV	24.1	3.4	1.1	4.5	3.9	1.09
1969 4/	I	21.0	3.3	1.1	4.4	3.8	1.03
	II	25.0	3.5	1.2	4.7	3.6	.98
	III	28.4	4.3	1.2	5.5	3.5	.95
	IV	24.9	3.4	1.1	4.5	3.9	1.04

1/ Estimated consumption reflects product disappearance through marketing channels. 2/ Refined sugar; based on entire population, including military. 3/ Bean equivalent. 4/ Preliminary. Data beginning with 1955 are in Food Consumption, Prices, and Expenditures, Agricultural Economics Report No. 138, July 1968.

has either declined, or as this year, failed to rise. Nevertheless, this year's increase in beef prices--about double that of all other foods--appears relatively large in view of stable consumption.

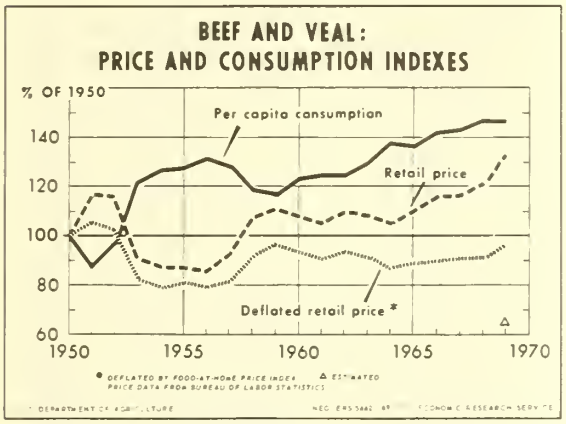

Figure 10

Past trends in pork consumption and retail prices show a different demand picture from that for beef and veal (fig. 11). Per capita consumption has generally trended downward the past 2 decades, but prices have increased about the same as for beef and veal. This year's increase in pork prices is about as large as that for beef and veal, but it reflects a small decline in consumption from the 1968 level as well as the advance in consumer demand.

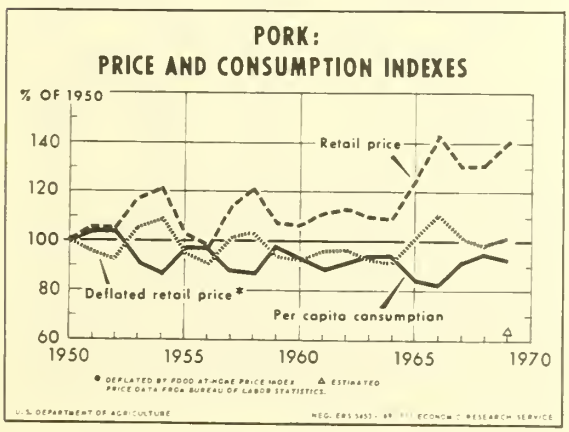

Figure 11

Poultry consumption this year is resuming its previous uptrend, and prices also are higher (fig. 12). Most of the price strength this year likely derives from the small decline in supplies and higher prices for red meat, the continued advance in consumer demand, and the rise in the general price level. Nevertheless, retail prices for poultry remain low by historical standards. Poultry prices have remained about stable during the 1960's as consumption has continued to climb--suggesting a rising demand.

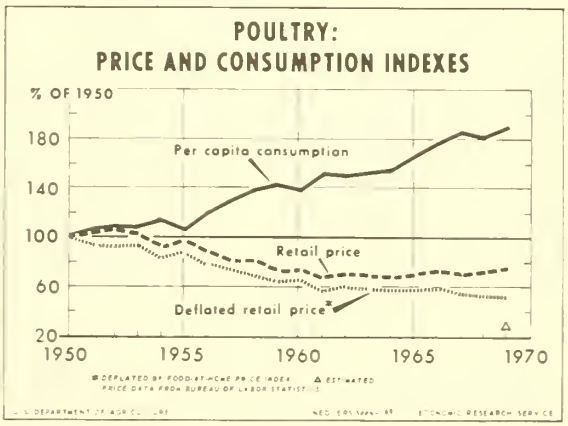

Figure 12

Egg consumption this year is averaging lower than the year previous as it has in most years since 1950 (fig. 13). Egg prices at retail have responded dramatically to the small drop in supplies. The price response to the supply decline this year suggests a stronger demand situation for eggs than they have been accustomed to over the past 2 decades.

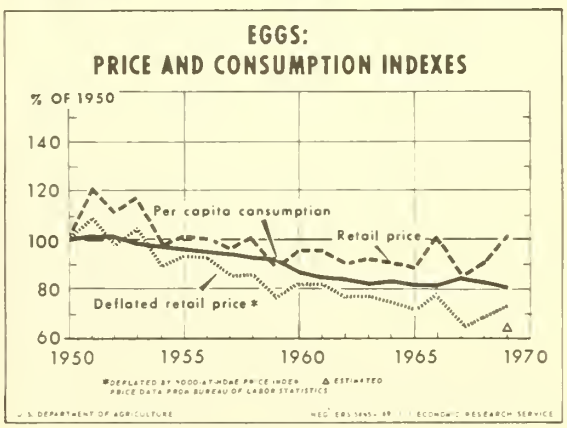

Figure 13

Table 7.--Civilian per capita consumption of major food commodities (primary distribution weight) and civilian population, average 1957-59, annual 1965-69 1/

Commodity	Average 1957-59	1965	1966	1967	1968	1969 preliminary	1969 as percentage of 1968
	Pounds	Pounds	Pounds	Pounds	Pounds	Pounds	Percent
Meats (carcass weight)	156.6	166.7	170.5	177.5	182.7	181.1	99
Beef	82.1	99.3	104.0	105.9	109.4	109.7	100
Veal	7.1	5.2	4.5	3.8	3.6	3.3	92
Lamb and mutton	4.4	3.7	4.0	3.9	3.7	3.4	92
Pork (excluding lard)	63.0	58.5	58.0	63.9	66.0	64.7	98
Fish (edible weight)	10.5	10.9	10.8	10.8	11.0	11.0	100
Poultry products							
Eggs (farm basis) - Number	356	314	313	323	321	313	98
Chicken (ready-to-cook)	27.5	33.3	36.0	37.1	37.2	38.9	105
Turkey (ready-to-cook)	6.0	7.5	7.8	8.6	7.9	8.2	104
Dairy products							
Cheese	7.9	9.5	9.7	10.1	10.6	10.6	100
Condensed and evaporated milk	14.8	10.6	9.7	9.0	8.9	8.4	94
Fluid milk and cream (milk equivalent)	337	301	296	285	279	272	97
Ice cream (product weight)	18.4	18.5	18.1	17.8	18.3	18.1	99
Fats and oils - Total, fat content	45.3	47.7	49.6	49.2	51.0	51.5	101
Butter (actual weight)	8.2	6.4	5.7	5.5	5.6	5.3	95
Margarine (actual weight)	8.9	9.9	10.5	10.5	10.8	10.8	100
Lard	9.3	6.4	5.5	5.4	5.6	5.1	91
Shortening	11.4	14.0	15.9	15.9	16.2	16.8	104
Other edible fats and oils	10.8	14.1	15.1	15.1	16.0	16.6	104
Fruits							
Fresh	95.5	80.9	81.2	80.7	78.0	82.0	105
Citrus	34.0	29.0	29.0	31.5	26.2	28.7	110
Apples (commercial)	21.0	16.3	15.9	16.1	15.6	17.0	109
Other (excluding melons)	40.5	35.6	36.3	33.1	36.2	36.3	100
Processed:							
Canned fruit	22.4	23.4	22.8	22.5	22.9	24.4	107
Canned juice	13.5	10.8	11.6	11.7	12.2	14.3	117
Frozen (including juices)	8.6	8.5	8.1	10.1	9.3	9.4	101
Dried	3.3	3.0	3.0	2.8	2.8	2.8	100
Vegetables							
Fresh 2/	104.1	98.4	95.8	97.8	98.2	97.4	99
Canned, excluding potatoes and sweetpotatoes	43.3	46.8	47.4	48.8	50.0	50.4	101
Frozen, excluding potatoes	6.6	8.1	8.8	9.0	9.6	9.4	98
Potatoes, fresh equivalent	106.9	107.6	113.3	111.1	116.3	115.1	99
Sweetpotatoes, fresh equivalent	8.3	6.2	6.3	5.8	5.7	5.9	104
Grains							
Cornmeal and flour	7.4	5.7	5.6	5.6	5.5	5.5	100
Corn sirup	9.4	13.6	14.0	14.0	14.5	14.5	100
Corn sugar	3.6	4.5	4.5	4.6	4.6	4.6	100
Wheat flour 3/	120	113	111	112	112	111	99
Wheat cereals	2.8	2.9	2.9	2.9	2.9	2.9	100
Rice, milled	5.4	7.6	7.3	7.5	7.8	8.3	106
Other							
Coffee (green beans)	15.7	14.8	14.5	14.8	14.8	14.8	100
Tea	.58	.68	.69	.69	.72	.73	101
Cocoa beans	3.5	4.0	4.2	4.2	4.3	4.0	93
Peanuts (shelled)	4.6	5.6	5.5	5.7	5.8	6.0	103
Dry edible beans	7.7	6.6	6.3	6.9	6.5	6.6	102
Melons	25.1	23.6	21.9	22.3	22.3	22.4	100
Sugar (refined)	96.1	96.4	97.4	97.1	99.3	99.3	100
	Million	Million	Million	Million	Million	Million	Percent
Civilian population 4/	171.5	191.9	193.8	195.7	197.6	199.7	101

1/ Quantity in pounds except for eggs. Data on calendar year basis except for dried fruits, which are on pack-year basis, fresh citrus fruits and peanuts on a crop-year basis, and rice on August 1 year. Fresh citrus year begins in previous October and rice year begins in previous August.

2/ Commercial production for sale as fresh produce.

3/ Includes white, whole wheat, and semolina flour.

4/ July 1 civilian population (50 States beginning 1960) used to derive per capita figures except for sugar, dried fruit, peanuts, and rice.

Table 8.--Production of major food commodities, average 1957-59, annual 1966-69 1/

Commodity	Unit	Average 1957-59	1966	1967	1968	1969 preliminary 2/	1969 as percentage of 1968
Meats (carcass weight) - Total	Mil. lb.	26,612	32,625	34,238	35,275	35,195	100
Beef	Mil. lb.	13,704	19,726	20,219	20,875	21,010	101
Veal	Mil. lb.	1,240	910	792	735	675	92
Lamb and mutton	Mil. lb.	711	650	646	602	550	91
Pork (excluding lard)	Mil. lb.	10,957	11,339	12,581	13,063	12,960	99
Poultry and eggs 3/							
Eggs	Mil. doz.	5,475	5,540	5,836	5,777	5,725	99
Chicken (ready-to-cook)	Mil. lb.	4,880	7,309	7,527	7,525	8,005	106
Turkey (ready-to-cook)	Mil. lb.	1,065	1,685	1,883	1,615	1,630	101
Dairy products							
Total milk	Bil. lb.	123.3	119.9	118.8	117.3	116.2	99
Cheese 4/	Mil. lb.	1,396	1,854	1,919	1,944	1,965	101
Condensed and evaporated milk	Mil. lb.	2,789	2,196	1,886	1,800	1,840	102
Ice cream (product weight)	Mil. lb.	3,212	3,606	3,578	3,708	3,700	100
Fats and oils - Total fat content 5/	Mil. lb.	11,070	14,504	14,546	14,916	15,168	102
Butter (actual weight)	Mil. lb.	1,477	1,128	1,238	1,175	1,130	96
Lard 6/	Mil. lb.	2,584	1,929	2,076	2,059	1,935	94
Margarine (actual weight)	Mil. lb.	1,549	2,110	2,114	2,141	2,175	102
Shortening	Mil. lb.	2,022	3,181	3,226	3,312	3,435	104
Other edible fats and oils 7/	Mil. lb.	7,297	11,667	11,473	11,916	12,325	103
Fruits							
Fresh:							
Citrus	Mil. lb.	6,794	6,668	7,454	5,890	6,780	115
Apples (commercial)	Mil. lb.	3,859	3,214	3,168	3,179	3,975	125
Other (excluding melons)	Mil. lb.	4,069	3,856	3,052	3,786	3,794	100
Processed:							
Canned fruit	Mil. lb.	4,158	4,947	4,354	5,006	5,195	104
Canned fruit juices	Mil. lb.	2,688	2,545	2,781	2,458	2,894	118
Frozen (including juice)	Mil. lb.	1,556	1,577	2,136	1,692	1,952	115
Dried	Mil. lb.	696	859	687	818	791	97
Vegetables 8/							
Fresh 9/	Mil. lb.	19,881	20,819	21,784	21,933	21,382	97
Canned	Mil. lb.	7,694	9,438	10,692	11,688	9,550	82
Frozen	Mil. lb.	1,183	1,881	1,993	2,081	1,841	88
Potatoes and sweetpotatoes							
Potatoes	Mil. cwt.	252	307	305	294	305	104
Frozen potato products	Mil. lb.	287	1,460	1,491	1,736	1,986	114
Sweetpotatoes	Mil. cwt.	18.2	13.7	13.7	13.8	14.0	101
Grains							
Wheat	Mil. bu.	1,177	1,312	1,522	1,571	1,456	93
Rice, rough	Mil. cwt.	45.7	76.3	85.1	89.4	105.3	118
Corn, grain only	Mil. bu.	3,409	4,117	4,760	4,375	4,350	99
Other							
Dry edible beans 10/	Mil. lb.	1,782	1,996	1,518	1,772	1,878	106
Melons 9/	Mil. lb.	4,455	4,247	4,334	4,426	4,366	99
Sugar, raw basis	1,000 tons	11/2,732	5,288	5,294	5,628	5,990	106
Peanuts, farmers' stock 12/	Mil. lb.	1,591	2,410	2,473	2,543	2,628	103

1/ Calendar year basis except for fresh citrus fruit for which the season begins in the fall of the previous year; dried fruits on a pack year beginning year indicated; rice on a marketing year ending year indicated. 50-State basis beginning 1960. 2/ Based on the best available information but subject to revision in line with later data from the Crop Reporting Board. 3/ Includes an allowance for nonfarm production. 4/ Excludes full skim, cottage, pot, and baker's cheese. 5/ Includes butter, lard and "other edible fats and oils." 6/ Includes amount used in manufactured food and nonfood products. 7/ Includes cottonseed, peanut, soybean, corn, edible olive, and oleo oils; oleo stock, oleostearine, and edible tallow later processed into margarine, shortening, cooking and salad oils, etc., and nonfood items. 8/ Excludes potatoes and sweetpotatoes. 9/ Covers total commercial production for sale as fresh both for shipment to distant markets and for local markets; includes quantities not harvested. Excludes farm garden output for farm household use. 10/ Cleaned basis. Beginning 1959, excludes seed beans produced on contracted acreage. 11/ Excludes Hawaiian production. 12/ Beginning 1959 on a net-weight basis (cleaned and adjusted to standardized moisture content).

Per capita consumption of dairy products this year appears to be following its usual downward pattern (fig. 14). Consumption is increasing for ice milk and low-fat fluid milk but declining for butter, evaporated milk, nonfat dry milk, fluid whole milk, cream, and ice cream. Consumption of cheese is staying about unchanged. Retail prices for dairy products are averaging higher this year, but the increase is not as great as that of the average of all other food products. But over the past 2 decades, prices for dairy products have a little more than kept pace with other foods.

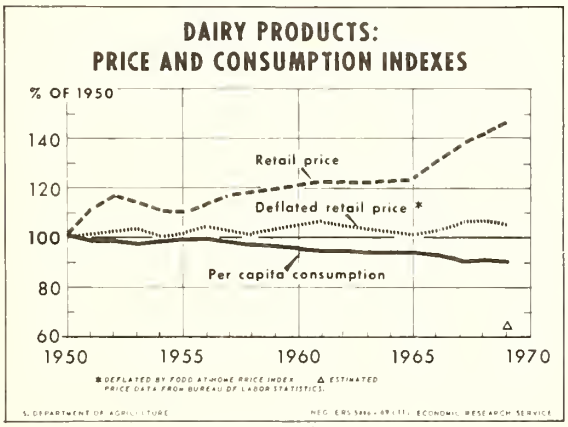

Figure 14

Fishery Product Use About Stable 1/

Total supplies of edible fishery products were running about the same as a year ago at the end of the third quarter. Larger frozen stocks at the start of the year and heavier imports are offsetting a probable decline in domestic landings of edible fish. Per capita consumption this year likely will total about the same as the 11 pounds in 1968. Of this total, about 6 pounds will be fresh and frozen, 4½ pounds canned, and ½ pound cured products.

Inventories of all frozen fish and shellfish combined are fractionally below last year, having dipped below year-ago levels for the first time this year in September. Holdings of fish are down 4 percent but shellfish 16 percent above last year. Current inventories of fish sticks and portions are down 18 percent, mainly because sales in the first half were 28 percent greater than last year.

Larger stocks of shellfish result from sluggish sales reflecting consumer resistance to higher prices this year. Retail prices for all fishery products have been running 4 to 5 percent above a year earlier. The increase is less than that of meat and eggs but larger than for most other foods.

Wholesale fish prices have been running 10 percent higher than a year ago. Wholesale prices for fresh and frozen fish and shellfish are averaging 15 percent higher while prices for a limited number of canned products are averaging fractionally below last year. Fish sticks and portions and cod and ocean perch fillets are among the few fresh and frozen items whose prices have not advanced much.

Imports of edible fishery products through August were 4 percent above a year earlier. Imports of fish fillets were up 16 percent. Imports of frozen tuna were about the same as last year while imports of canned tuna increased nearly a fourth. Imports of shellfish were also higher, sparked by an 8-percent increase in shrimp.

Landings of edible fish in New England for the first 3 quarters of this year were 15 percent less than last year. Among the popular varieties, flounder landings were up slightly while cod increased 17 percent. More than offsetting these increases were declines of 37 percent for haddock, 8 percent for ocean perch, and a drop of more than half in the whiting catch.

1/ Prepared from information submitted by the Bureau of Commercial Fisheries, U.S. Department of the Interior.

For the remainder of 1969 the situation for major fishery products is expected to be as follows:

--Supplies of most fishery products are expected to be ample, although price levels, in general, will be higher than last year.

--Supplies of fresh and frozen salmon and Pacific halibut will be heavier than last year.

--Domestic production of canned tuna may be off a little.

--Inventories of frozen crabs are considerably above a year ago, resulting in some price weakness recently for all varieties of West Coast crabs. Blue crabs will be plentiful in the next few months at prices below those of a year ago.

--Prices for live lobsters likely will average higher than a year ago with supplies about the same.

--Supplies of haddock will remain relatively short and prices above a year earlier.

--Supplies of cod fillets will be heavier than a year ago and prices about the same as in late 1968.

--Supplies of flounder and ocean perch fillets likely will be a little larger and prices higher.

Crop Food Product Consumption Rising

Consumption of fats and oils products this year is totaling perhaps a little more than last year's 51 pounds per capita (fat content basis, table 7). Some decline again is expected for the animal fats--mainly butter and lard--and a further increase is likely for vegetable oils. Consumption of vegetable oils has trended consistently upward over the past 2 decades (fig. 15). The increase reflects the relatively stable prices for these products, as well as the apparent shift in preference from animal fats. Price stability for these products this year in effect represents a decline relative to prices for all other food products.

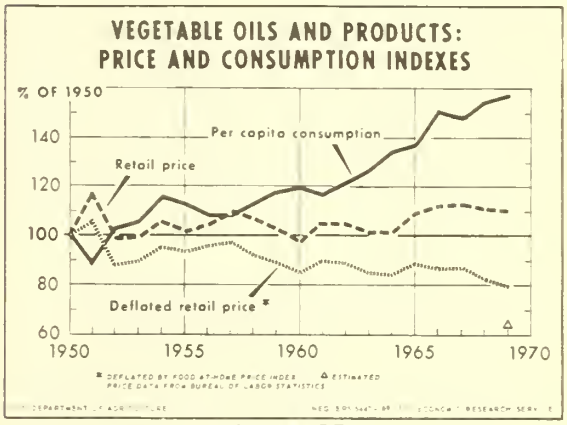

Figure 15

Consumption of both fresh and processed fruits this year is averaging well above that of 1968. Production levels of apples, oranges, peaches, grapes, cherries, and pears are all up by a considerable margin. However, consumption of both fresh and processed vegetables is about unchanged. Output of vegetables for processing is down sharply, but supplies are nearly maintained by large carryover stocks.

Because of the increases for fruits, the total of all fresh fruits and vegetables and the total of all processed fruits and vegetables are both increasing slightly this year, in contrast to their usual divergent movements (figs. 16 and 17). Prices for fruits and vegetables this year are averaging about the same as in 1968. Thus, they are declining relative to all other foods. Over the years, prices for fruits and vegetables--particularly fresh produce--have gone up more rapidly than prices for most other foods.

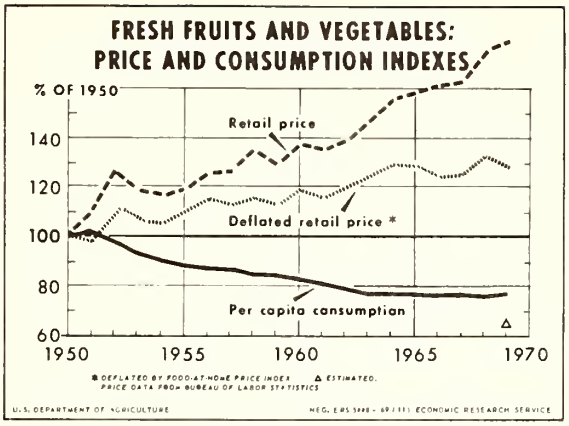

Figure 16

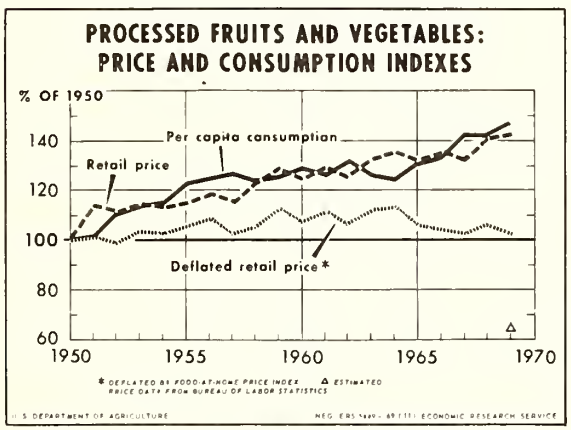

Figure 17

Per capita consumption of cereal and bakery products this year is totaling nearly the same as in 1968 (fig. 18). Some decline is indicated in use of wheat flour. Another increase in consumption of rice is underway. Retail prices for these items again are averaging higher, as in most years of the past 2 decades, but the increase for the group this year is less than the average for all other food products. Nevertheless, cereal and bakery products are second only to fresh fruits and vegetables, among the major food groups, in the amount of increase in retail food prices since 1950.

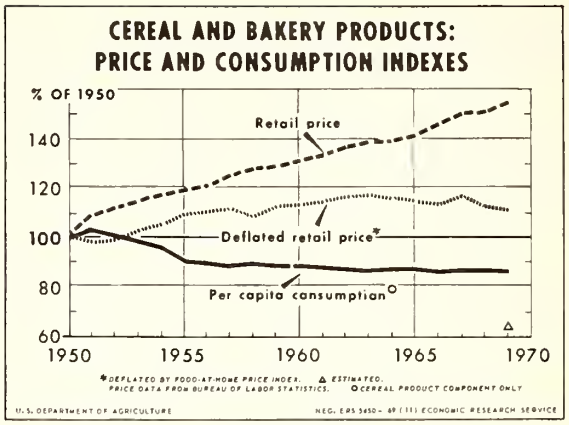

Figure 18

Sugar consumption this year appears likely to total about the same as the 99.3 pounds per capita in 1968. For an appraisal of the effects on sugar consumption of the recent ban on use of cyclamate sweeteners, see our special article on page 27. Prices of raw sugar in the third quarter averaged 7.69 cents per pound, up 1 percent from a year earlier. Wholesale refined sugar prices also have increased slightly. Retail sugar prices for the year likely will average around 2 percent over those in 1968.

Prices for products containing sugar, such as soft drinks and confectionery, are increasing much more this year than are prices for sugar. Prices for chocolate bars are up by a tenth, but due more to increased costs of chocolate than to sugar. Prices for total sugar and sweets--heavily influenced by chocolate products--are expected to increase 5 percent this year (fig. 19). Prices for soft drinks--which usually rise considerably--also are increasing around 5 percent this year.

Consumption of cocoa is expected to total about 4 pounds (bean equivalent) this year, down 7 or 8 percent from 1968, because of short supplies and high prices. World production has been less than consumption for 4 years, resulting in a large cutback in the previously ample stock level.

Wholesale prices for cocoa this year are averaging about a third above a year earlier. Imports of both cocoa beans and semiprocessed cocoa and chocolate products are declining. The U.S. grind likely will be down 6 to 8 percent this year.

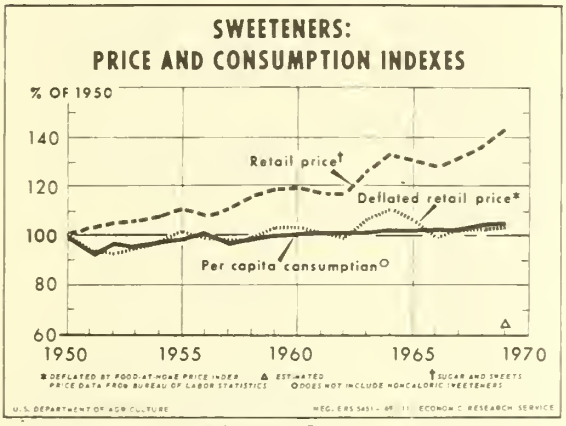

Figure 19

The first estimate of world cocoa bean production for 1969/70 is 8 percent above the short crop of last season. Such a crop still would not fully relieve the tight supply situation. Prices are expected to remain strong, and the U.S. grind next year likely will be lower than this year's reduced level. Continuing high cocoa and chocolate product prices likely will hold consumption of confectionery near current levels in the coming year.

Per capita coffee consumption this year is expected to total 14.8 pounds (green bean equivalent), the same as last year. There has been a significant increase in instant coffee roastings--which include freeze-dried coffee--in the last half of 1968 and first half of 1969, following several years of stability. Freeze-dried coffee apparently is replacing roasted as well as instant coffee but is not yet having any substantial success in expanding the total coffee market. But perhaps it can be credited with halting the previous downtrend in consumption. Freeze-dried coffee now accounts for nearly a fifth of the instant coffee, or nearly 4 percent of the total coffee market, according to trade sources. 2/

A killing frost in the State of Parana in Brazil in mid-July has severely damaged trees over an extensive area. Thus, production in 1970/71 likely will be much smaller than in 1969/70. The uncertainty of future Brazilian coffee production has already affected U.S. coffee prices. Green bean prices are up several cents per pound over prices earlier this summer. They appear likely to increase further until after the September-November flowering period when a more accurate appraisal of next year's Brazilian crop can be made. Manufacturers of regular and instant coffees have already announced price increases for wholesale coffees, and retail price increases are expected to follow.

Nevertheless, retail coffee prices this year are expected to average only 1 percent higher than in 1968. Most of this increase is expected to show up in the final quarter. Prices for regular coffee averaged a little below a year earlier during the first 9 months. Rising prices for instant coffee perhaps reflect the new-found demand. Even so, prices for coffee are low by historical standards and in comparison with prices for other foods (fig. 20).

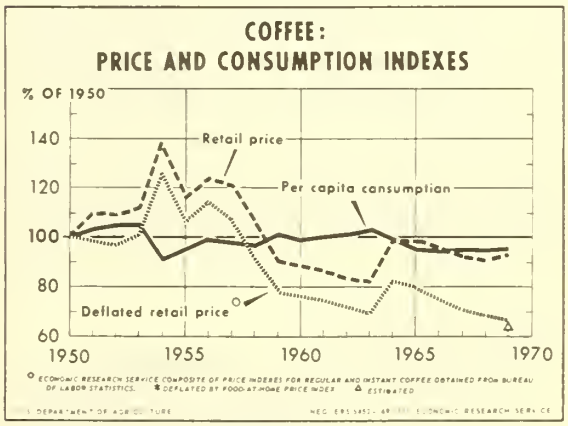

Figure 20

2/ World Tea and Coffee, August 1969, p. 60.

U.S. FOREIGN TRADE

Agricultural commodities in January-August 1969 accounted for about 15 percent of total U.S. foreign trade in commodities --both exports and imports. These items last year comprised 18 percent of exports. Exports of nonagricultural commodities, at $20.4 billion in those months of 1969, were 12 percent higher than a year earlier while agricultural exports of $3.6 billion decreased 12 percent.1/ Imports of nonagricultural items increased 10 percent to $19.9 billion in contrast to a 4 percent decline for agricultural commodities, to $3.2 billion.

The 8-month "favorable" balance of trade for all commodities, at $819 million, is up slightly from last year.2/ But agricultural products account for less than half of this balance, in contrast with over 90 percent in 1968. The balance of food products so far this year is unfavorable. We have imported $462 million more in food commodities than we have exported. Exports of food were down $225 million while imports decreased $135 million.

The longshoremens' strike which disrupted East Coast shipping from December 1968 to February 1969 adversely affected foreign trade this year. In first-quarter 1969, agricultural exports fell 43 percent short of a year earlier; imports were off 16 percent. For some perishable items, the loss of trade can never be made up later; for most items it cannot entirely be recovered. In some instances stockpiling prior to the strike increased trade in late 1968, thus lowering 1969 requirements.

Agricultural Imports Down 4 Percent

In the first 8 months of 1969 the value of agricultural commodities imported dropped 4 percent from the high level in the same months of 1968.3/ But they remained 8 percent above those in 1967. Imports of food (nearly 80 percent of the total) dropped 5 percent this year; nonfood stayed at last year's level.

Value of agricultural imports in January-August

Item	1968	1969	Change
	Mil. dol.	Mil. dol.	Pct.
Food commodities: 1/			
Animal products	556	643	16
Crop products	2,081	1,859	-11
Total food	2,637	2,502	-5
Nonfood commodities:			
Animal products	272	240	-12
Crop products	420	451	7
Total nonfood	692	691	0
Total	3,329	3,193	-4

1/ For an indication of commodities classed as foods, see our detailed table in the May issue, page 14, giving data for calendar years 1967 and 1968.

All of the 16-percent increase in imported food from animal sources is attributed to a $93 million increase for meat and meat products. The value of beef and veal imports was up $68 million, or 22 percent higher and pork was up $17 million, or 12 percent--largely because of price rises. Poundage rose 6 percent for beef and veal and declined slightly for pork.

1/ Adding recently available data for September, agricultural exports at $4.0 billion for the 9-month period are 11 percent less than a year earlier.

2/ Import duty and transporation costs to our shores are not included in the import value; exports are valued at port of departure from the United States. Had costs of incoming goods been fully accounted, value of imports would have exceeded value of exports.

3/ September imports raise total agricultural imports for the first 9 months to $3.6 billion, 5 percent less than a year earlier.

The value of dairy products imported dropped 9 percent. Quota restrictions limited the quantity of dairy products imported to about three-fourths of the year-earlier level (milk equivalent, fat solids basis). With the quantity of quota-type cheeses running a third under those last year and nonquota cheeses up 8 percent, cheese imports in total were down over a fourth through September. Among other quota items, imports were cut nearly in half for condensed and evaporated milk but have been running considerably higher for dry skim milk, frozen cream, and "butterfat mixtures." A new nonquota item was introduced in June, following a Treasury decision allowing entry of "ice cream" containing up to 20 percent milkfat, and resulted in shipments by the end of September (largely from Jamaica and Belgium) of more than 2 million pounds, according to Census reports.

The 30-percent drop in the import value of coffee (the leading import item) for the first 8 months of 1969 accounted for three-fourths of the 11-percent drop in total imports of food from crops. With coffee stocks at lower levels and a reduced world supply in prospect, imports in the rest of the year will likely run much higher and at increased prices. The quantity imported for the year, however, will be considerably below last year's high level.

Imports of the second most important crop, sugar, have dropped 4 percent so far this year, largely because of increased domestic production. Lower imports of coffee and sugar were partly counterbalanced by the increased value of imports of vegetables, fruits, and cocoa products--the latter entirely due to higher prices.

A decrease through August 1969 of $188 million, or 14 percent, in imports of complementary agricultural items (those not competing directly with U.S. products) is more than accounted for by coffee alone. Coffee comprises roughly half of these imports. Supplementary (competing) items, which increased only $52 million, or 2½ percent, accounted for 64 percent of all agricultural imports in the first 8 months of 1969 as compared with 60 percent last year.

Nonagricultural imports increased 10 percent this year through August, to $20 billion. This rise, combined with the 4-percent decline for agricultural products, resulted in an 8-percent increase for all commodity imports in the first 8 months of 1969.

Agricultural Exports Down 12 Percent

The value of agricultural commodities exported in the first 8 months of 1969 was down 12 percent from the same months a year earlier. All of the drop was due to crop products.

Value of agricultural exports in January-August

Item	1968	1969	Change
	Mil. dol.	Mil. dol.	Pct.
Food commodities: 1/			
Animal products	211	253	20
Crop products	2,054	1,787	-13
Total food	2,265	2,040	-10
Nonfood commodities:			
Animal products	216	244	13
Crop products	1,593	1,286	-19
Total nonfood	1,809	1,530	-15
Total	4,074	3,570	-12

1/ See the May issue, page 14, for a detailed table showing items classed as foods.

A 50-percent increase for meat and meat products in addition to small increases for dairy products, poultry, and food fats brought total exports of food from animal sources 20 percent above those last year. Exports of nonfood animal products, largely hides and skins and inedible tallow, were also up.

The value of exports of food from crops dropped 13 percent so far this year. Wheat and wheat products were down nearly a third. Exports of soybeans and soybean oil were down, but exports of other edible vegetable oils climbed, holding the decrease for these items to 7 percent in the first 8 months of 1969. The value of fruits exported increased 13 percent while vegetables were off a little.

Nonfood crop exports dropped substantially in the first 8 months. Cotton and linters dropped 40 percent; feed grains 21 percent; and tobacco, 11 percent. But exports of nonfood oilseeds and products remained at last year's level.

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ANNUAL OUTLOOK CONFERENCE SCHEDULED FOR FEBRUARY 1970

The National Agricultural Outlook Conference is scheduled for February 16 to 18, 1970. The Conference will give emphasis to the general domestic and international economic situation with time also devoted to the Commodity Sessions.

GROCERY STORE SALES IN 1968 1/

Grocery store sales of food increased nearly 5 percent in 1968, to $50.8 billion, according to the annual survey by Conover-Mast Publications reported in the September 1969 issue of Supermarketing.2/ This compares with a rise of less than 1 percent in 1967. After taking account of food price changes, the volume of food moving through food stores apparently increased nearly 1½ percent in 1968 compared with a little less than 1 percent in 1967.

Gains in sales of nonfood and alcoholic beverage items by grocery stores in 1968 again outpaced gains in sales of food. They totaled $19.3 billion, up a tenth from a year previous.

Total store sales were up 6 percent. Sales by chains with 11 or more stores accounted for all of the increase. Sales by these firms jumped 14 percent while those of smaller firms slipped an average of 1 percent. For the first time, sales by the chains exceeded those by smaller firms.

Increases in sales occurred for every major food category in 1968. Price increases accounted for most of the increased sales of dairy products, about half of the rise for meat and beverages, and about two-thirds of the increase for poultry and fish. Price increases for eggs and fruits and vegetables far exceeded their increases in dollar sales, implying that volume for those items was down.

Aside from price increases, population growth accounted for most of the remaining food sales increase in 1968. Measured in terms of constant dollars per person, sales dropped considerably for eggs and fruits and vegetables and somewhat for dairy products and fish. But sales of meat, poultry, and beverages each increased about 1 percent and cereal and bakery products nearly 2 percent.

Commodity Breakdown About the Same

While food purchases in grocery stores rose from $48.5 billion in 1967 to $50.8 billion in 1968, only fractional changes occurred in the way consumers distributed their food dollars. The largest change was 0.3 cent increase for fresh produce, which brought the total expenditure for fresh and processed fruits and vegetables to 24.4 percent of the food budget (table 9). This increase was offset by slight declines for cereal and bakery products, beverages, and dairy products. Meat, poultry, and fish remained at 35 percent of the food budget.

Five-Year Perspective

In the 5-year period from 1963 to 1968 the total amount spent in grocery stores rose from $54 billion to $70 billion, an increase of 32 percent. Food sales rose from $41 billion to $51 billion, or 23 percent. Nonfood and alcoholic beverage sales rose from $13 billion to $19 billion, or 52 percent. Sales of nonfood items rose from 24 to 28 percent of total store sales.

Over the 5-year period, 2 cents more of each grocery store food dollar was spent for meat, 1 cent less for dairy products, and nearly 1 cent less for cereal and bakery products. There were fractional declines for eggs, fruits and vegetables, and beverages. Despite the increasing proportion of fruits and vegetables used in processed form, prices for fresh items increased more rapidly. Thus, sales of fresh items in grocery stores took almost 1 cent more of the food dollar while processed items decreased more than 1 cent during the 5-year period. All of the drop for processed fruits and vegetables occurred between 1963 and 1966; expenditures since then have remained a little over 10 percent of the food budget.

The 4-percent gain in proportion of store sales going for nonfood items since 1963 was almost entirely due to expansion of the less traditional grocery store items,

1/ By Helen M. Eklund, Food Consumption Section, ERS.
2/ Formerly Food Topics.

Table 9.--Distribution of grocery store sales, by commodity groups, 1963, 1967 and 1968

Commodity group	Percentage of total store sales			Percentage of food sales		
	1963	1967	1968	1963	1967	1968
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Food:						
Meat, poultry, and fish	25.2	25.7	25.4	33.0	35.0	35.0
Meat	19.7	20.4	20.2	25.8	27.8	27.9
Poultry	3.8	3.7	3.6	5.0	5.0	5.0
Fish	1.7	1.6	1.6	2.2	2.2	2.1
Eggs	1.1	1.0	.9	1.5	1.3	1.3
Dairy products	7.7	6.8	6.7	10.1	9.3	9.2
Fruits and vegetables 1/	18.9	17.7	17.7	24.7	24.1	24.4
Fresh produce	10.1	10.0	10.2	13.2	13.7	14.0
Processed products	8.8	7.7	7.5	11.5	10.4	10.4
Cereal and bakery products	9.8	9.1	8.8	12.8	12.4	12.2
Nonalcoholic beverages	5.3	5.0	4.9	6.9	6.8	6.7
Other foods 2/	8.5	8.1	8.1	11.0	11.1	11.2
Total food	76.5	73.4	72.5	100.0	100.0	100.0
Nonfood:						
Alcoholic beverages	4.9	4.9	4.9	---	---	---
Pet food	.8	1.1	1.1	---	---	---
Tobacco	4.2	3.9	3.9	---	---	---
Health and beauty aids	3.0	3.3	3.4	---	---	---
Soaps and laundry supplies	2.7	2.6	2.5	---	---	---
Paper products and foil	1.6	1.6	1.7	---	---	---
Housewares and household supplies 3/	2.0	2.1	2.1	---	---	---
Magazines, books, records	.3	.3	.3	---	---	---
Other nonfoods	4.0	6.8	7.6	---	---	---
Total nonfoods	23.5	26.6	27.5	---	---	---
Total all items	100.0	100.0	100.0	---	---	---
Value, all items (billion dollars)	$53.9	$66.1	$70.0	---	---	---

1/ Including potatoes, sweetpotatoes, and melons. 2/ Includes frozen prepared foods; baking needs; candy and chewing gum; desserts; food fats and dressings; jams, jellies, and preserves; sugars and other sweeteners; and other foods. 3/ Includes cooking, kitchen aids, and serving utensils, glassware, and such items as pesticides, waxes, mops, brooms, lightbulbs and deodorizers.

Derived from annual survey of grocery stores by Supermarketing (formerly Food Topics), (C-M Food Industry Publications, Inc., New York).

including clothing, camera equipment and supplies, and gardening supplies. These items now account for about 7½ percent of total store sales. Among the standard nonfoods, alcoholic beverages held steady at 5 percent of total sales throughout the period; housewares and household supplies (such as brooms, waxes, lightbulbs, and deodorizers) held at 2 percent; paper products and foil at a little over 1½ percent; and magazines, books and records at 0.3 percent. Fractional increases for pet foods and health and beauty aids about counterbalanced small declines for tobacco and soap and laundry supplies.

CYCLAMATE SWEETENERS 1/

On October 18, the Food and Drug Administration banned the use of cyclamate, an artificial sweetener, for general use in foods and beverages. Moreover, a recall was issued for existing supplies of beverages containing cyclamate by January 1, 1970, and foods by February 1. These orders followed a laboratory report indicating very large doses of cyclamate fed to rats over a long period of time produced cancer in their bladders.

The ban will not be total. People with certain health problems will still be able to obtain products containing cyclamate. However, foods and beverages containing cyclamate will not be generally available in food stores.

The biggest impact of these restrictions will be on the soft drink industry. Trade sources indicate that about 16 percent of total soft drink consumption consisted of low calorie soft drinks in 1968 and an estimated 17 percent this year. Moreover, soft drinks accounted for over half of total cyclamate use--nearly 70 percent if use in presweetened dry beverage bases is included. Use of cyclamate in all foods is believed to have totaled approximately 17.5 million pounds in 1968 and nearly 20 million pounds this year prior to the ban. Soft drink manufacturers are attempting to replace cyclamate with other sweeteners.

At first glance, outlawing of cyclamate would be expected to result in a considerable increase in sugar consumption. However, per capita sugar consumption averaged 97 pounds a year during 1960-67 with no apparent trend. In 1968, per capita consumption increased to 99.3 pounds and about the same level is likely this year. Thus, per capita sugar consumption increased last year in the face of competition from cyclamate, when previously there had been little change.

The sweetness of the cyclamate used in 1968 was equivalent to about 2½ pounds of sugar per person. Use of saccharin, to the extent of 2 to 3 pounds per person, sugar sweetness equivalent, in combination with cyclamate also may be affected by the loss of cyclamate.2/ Sugar may take the place of some uses of cyclamate--particularly that used with saccharin. However, much of this market likely will go to substitute sweeteners or be lost entirely.

Previous studies indicate that the introduction of cyclamate reduced the use of sugar to the extent of roughly one-third its sweetness equivalent. If this same rate of substitution occurs as cyclamate is withdrawn, sugar consumption will increase by roughly 1 pound per person. However, since per capita consumption in 1968 and 1969 has already increased 2 to 3 pounds over that in 1967, it would be difficult to ascertain what portion of any further possible increase in 1970 would be due to cyclamate replacement, and what part would reflect other causes.

1/ By Frederick D. Gray, Food Consumption Section, ERS.

2/ Cyclamate is approximately 30 times as sweet as sugar and saccharin is approximately 300 times as sweet as sugar.

NUTRITIONAL REVIEW 1/

Outlook for 1970

The nutritive value of foods expected to be available for consumption per person per day in 1970 will be essentially the same as that in 1969 except for ascorbic acid. Expected larger supplies of fresh and processed citrus fruit will likely result in a continuation of the recent upturn in ascorbic acid level. While there will be other small changes in consumption, their effects on nutrient levels are expected to be about offsetting.

Situation in 1969

A comparison of nutrient levels for 1969 with those of 1968 reveals that only ascorbic acid is higher, by 2 percent per capita (table 10). Use of more fresh citrus fruit chiefly accounts for this increase.

Most of the nutrient levels show some change since 1967. The greatest changes were in the levels of fat and calcium. A 2-percent higher level for fat was the result of greater use of meat and of fats and oils, mainly the latter. Current consumption of cooking and salad oils per person is about 1 pound higher than in 1967. Shortening and margarine also showed small increases. The calcium level is down by 2 percent largely because of decreased use of fluid whole milk and most manufactured milk products other than cheese.

A review of nutrient levels over the past 10 years indicates an upward trend for several nutrients. Fat, iron,

1/ By Berta Friend, Consumer and Food Economics Research Division, ARS.

Table 10.--Nutrients available for civilian consumption, per capita per day, selected periods 1/

Nutrient	Unit	Average 1957-59	1967	1968	1969 preliminary	1969 as a percentage of 1957-59	1969 as a percentage of 1967	1969 as a percentage of 1968
Food energy	Cal.	3,140	3,210	3,250	3,240	103	101	100
Protein	Gm.	95	98	99	99	104	101	100
Fat	Gm.	143	150	153	153	107	102	100
Calcium	Gm.	.98	.95	.93	.93	95	98	100
Iron	Mg.	16.1	16.9	17.1	17.0	106	101	99
Magnesium	Mg.	348	344	340	340	98	99	100
Vitamin A value	I.U.	8,000	7,700	7,800	7,800	98	101	100
Thiamin	Mg.	1.84	1.83	1.84	1.82	99	99	99
Riboflavin	Mg.	2.28	2.26	2.25	2.25	99	100	100
Vitamin B_6	Mg.	2.01	2.14	2.14	2.14	106	100	100
Vitamin B_{12}	Mcg.	8.9	9.4	9.3	9.3	104	99	100
Ascorbic acid	Mg.	105	107	104	106	101	99	102

1/ Data computed by Consumer and Food Economics Research Division, ARS, on the basis of estimates of per capita consumption (retail basis), including estimates of produce of rural and urban home gardens, supplied by the Economic and Statistical Analysis Division, ERS. No deduction has been made in nutrient estimates for loss or waste of food in households or for destruction or loss of nutrients during the preparation of food. Data include quantities of iron, thiamin and riboflavin added to flour and cereal products; quantities of vitamin A value added to margarine and milk of all types; quantities of ascorbic acid added to fruit juices and drinks.

and vitamin B_6 show the most increase--6 to 7 percent per capita. The trend for fat reflects the steady increase in consumption of cooking and salad oils, up by one-half since 1957-59. A steady increase in consumption of beef, now 30 percent above 1957-59, has contributed to the increase in both fat and iron. Calcium shows the greatest decline--5 percent per capita--since 1957-59, due mainly to decreased consumption of dairy products.

Trends in Sources of Iron

The present daily level for iron is 17 milligrams per capita (table 10). This quantity is enough to supply each person with recommended amounts of iron if foods were distributed according to nutritional needs. Yet, nutritional status surveys and a recent USDA report on the food intake and nutritive value of diets of men, women and children indicate that iron is a critical nutrient for many young children, women, and girls.2/ Thus, a review of trends in sources and levels for iron is timely.

Except for the mid-40's, which were peak years for pounds of food consumed and consequently for many nutrients in the food supply, the levels of iron reported for 1968 and 1969 are the highest since the beginning of the century. The lowest level occurred in the mid-30's when incomes were low, enrichment of cereal products had not become common, and consumption of meat--a good sources of iron--was down.

Almost 60 percent of the iron in the food supply is provided by 2 food groups--meat, poultry, and fish; flour and cereal products (table 11 and fig. 21). The meat, poultry, and fish group is the largest contributor today primarily because of the marked increased in use of beef. Beef alone provides 15 percent of the total iron (table 12). However, beef was not always this popular; pork was more in favor at the beginning of the century. At that time pork, not as good a source of iron, contributed 8 percent of the iron, and beef 10 percent. Despite the decline in use of pork, it still provides 7 percent of the iron and together with beef accounts for 22 percent of the total iron.

Edible offals, which include liver, are excellent sources of iron. A large share of these products is used in the manufacture of luncheon meats. Although consumption of edible offals has never been large, generally around 10 or 11 pounds per capita per year, they have always made a good contribution to iron, almost 3 percent of the total.

Poultry is not as good a source of iron as the red meats or edible offals. However, because consumption of poultry has increased markedly it now provides over 3 percent of the total.

In 1909-13 consumption of flour and cereal products accounted for as much iron as meat, poultry, and fish. Each group provided about one-fourth of the total amount. But thereafter, consumption of grain products started to decline. By 1935-39 grains provided one-fifth and the meat, poultry, and fish group, one-fourth. In the early 1940's iron was added to bread and flour under the enrichment program. Enrichment more than made up for the decline in iron from decreased use of grains. Because of enrichment, flour and cereal products became the largest contributor of iron in the food supply and remained so until the early 1960's. Today, enrichment of these foods adds about one-fifth more iron to the national food supply than if they were not enriched.

Fruits, vegetables, potatoes, and sweetpotatoes, and the dry beans, peas, nuts and soya products group have contributed substantial amounts of iron over the years. Although these foods are now contributing a smaller share of the iron,

2/ U.S. Department of Agriculture. Food Intake and Nutritive Value of Diets of Men, Women, and Children in the United States, Spring 1965. A Preliminary Report, ARS 62-18, March 1969.

Table 11.--Contribution of major food groups to nutrient supplies available for civilian consumption, 1957-59 average and 1969 1/

Food group	Food energy	Protein	Fat	Calcium	Iron	Magnesium	Vitamin A value	Thiamin	Riboflavin	Vitamin B6	Vitamin B12	Ascorbic acid
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
1957-59 Average												
Meat (including pork fat cuts), poultry, and fish	18.2	35.7	33.0	3.2	27.1	10.9	19.9	27.4	21.2	39.8	64.9	1.1
Eggs	2.6	6.8	4.0	2.8	7.1	1.6	7.3	2.8	6.5	2.7	11.2	0
Dairy products, excluding butter	13.5	24.5	16.5	76.6	2.3	23.3	12.7	10.5	45.3	11.3	23.9	5.2
Fats and oils, including butter	16.0	.1	39.4	.4	0	.3	8.7	0	0	.1	0	0
Citrus fruits	.7	.4	.1	.8	.8	1.7	1.1	2.1	.4	1.2	0	22.1
Other fruits	2.6	.8	.3	1.3	4.4	4.4	6.9	2.2	1.8	6.9	0	10.9
Potatoes and sweetpotatoes	2.8	2.4	.1	1.0	4.3	7.2	8.3	6.4	1.9	13.6	0	20.6
Dark green and deep yellow vegetables	.3	.5	2/	1.6	1.9	2.3	20.7	.9	1.2	2.0	0	9.2
Other vegetables, including tomatoes	2.3	3.3	.4	4.6	9.1	10.2	13.8	6.9	4.4	9.9	0	30.8
Dry beans and peas, nuts, soya flour	2.9	5.2	3.2	2.6	7.4	10.8	2/	6.0	1.9	4.7	0	2/
Flour and cereal products	21.4	19.9	1.5	3.3	28.2	18.4	.4	34.8	14.6	7.6	0	0
Sugars and other sweeteners	15.8	2/	0	.8	4.3	.2	0	2/	.1	.1	0	2/
Coffee and cocoa 3/	.8	.4	1.4	1.1	3.0	8.6	2/	.1	.8	.1	0	0
Total 4/	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
1969 5/												
Meat (including pork fat cuts), poultry, and fish	20.4	41.0	35.0	3.5	30.4	13.2	22.3	29.4	24.9	45.5	69.0	1.1
Eggs	2.2	5.8	3.3	2.6	6.0	1.4	6.7	2.5	5.9	2.3	9.5	0
Dairy products, excluding butter	11.7	22.5	13.2	76.2	2.2	22.2	11.5	9.9	43.0	9.9	21.5	4.7
Fats and oils, including butter	17.3	.1	41.4	.4	0	.4	8.4	0	0	.1	0	0
Citrus fruits	.9	.4	.1	.8	.7	1.9	1.2	2.4	.4	1.1	0	23.7
Other fruits	2.5	.6	.2	1.2	3.8	4.1	6.4	1.9	1.6	6.1	0	11.8
Potatoes and sweetpotatoes	2.8	2.5	.1	1.0	4.5	7.5	6.0	6.7	1.9	12.8	0	20.2
Dark green and deep yellow vegetables	.2	.4	2/	1.4	1.7	1.9	21.5	.8	1.0	1.7	0	8.2
Other vegetables, including tomatoes	2.5	3.3	.4	4.8	9.5	10.3	15.7	7.2	4.6	9.5	0	30.2
Dry beans and peas, nuts, soya flour	2.8	5.0	3.6	2.6	6.3	10.8	2/	5.5	1.8	4.2	0	2/
Flour and cereal products	20.1	18.0	1.4	3.4	26.8	17.6	.4	33.6	14.2	6.8	0	0
Sugars and other sweeteners	16.0	2/	0	1.1	5.5	.2	0	2/	.1	0	0	2/
Coffee and cocoa 3/	.6	.4	1.3	1.1	2.8	8.4	2/	.1	.8	.1	0	0
Total 4/	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

1/ Percentages were derived from nutrient data which include quantities of iron, thiamin, and riboflavin added to flour and cereal products; quantities of vitamin A value added to margarine and milk of all types; quantities of ascorbic acid added to fruit juices and drinks. 2/ Less than 0.05 percent. 3/ Chocolate liquor equivalent of cocoa beans. 4/ Components may not add to total due to rounding. 5/ Preliminary.

Table 12.--Contribution of specified meats, and of poultry and fish to total iron, selected periods 1/

Item	1909-13	1925-29	1935-39	1947-49	1957-59	1969 2/
	Pct.	Pct.	Pct.	Pct.	Pct.	Pct.
Beef	10.4	8.8	9.4	9.1	11.8	15.2
Pork 3/	8.3	8.9	7.8	7.8	7.4	7.2
Edible offals	2.9	2.8	2.6	2.7	2.7	2.7
Other meats	1.7	1.8	2.1	1.8	1.4	.8
Total meat	23.3	22.3	21.8	21.4	23.3	25.9
Poultry	1.5	1.5	1.4	1.6	2.8	3.5
Fish	1.6	1.4	1.5	1.2	1.1	1.0
Total meat, poultry, and fish	26.4	25.2	24.7	24.1	27.1	30.4

1/ Components may not add to total due to rounding.
2/ Preliminary.
3/ Includes bacon and fat pork cuts.

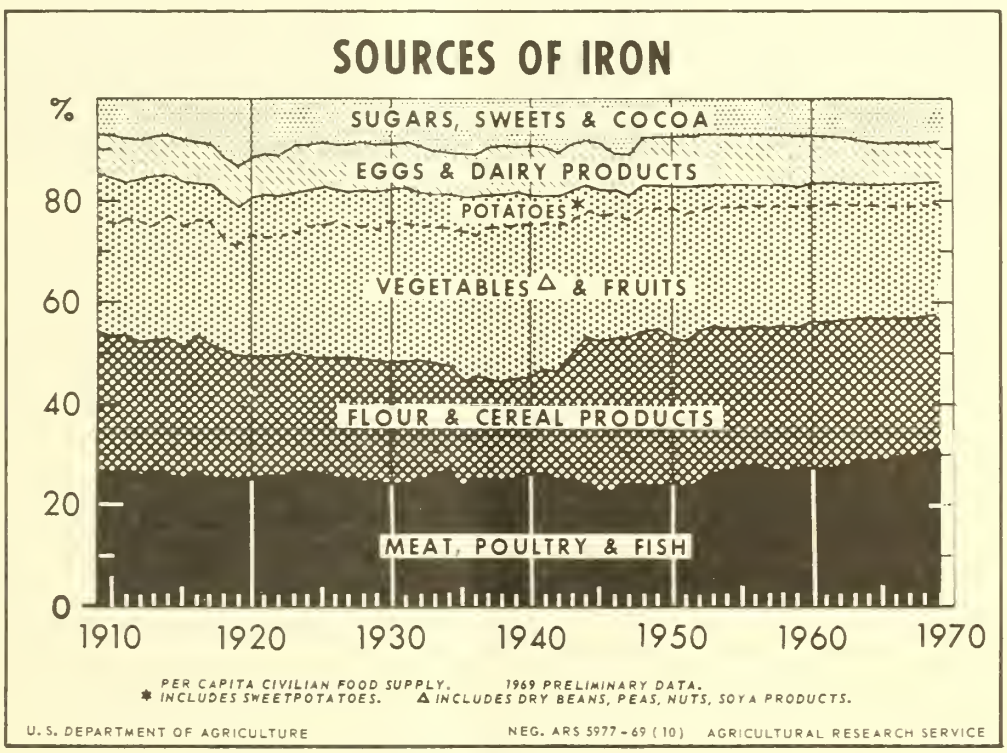

Figure 21

they have consistently provided over one-fourth of the total--31 percent at the beginning of the century, 28 percent in 1957-59 and 26 percent today (fig. 21).

Magnesium and Vitamins B_6 and B_{12}

Data for magnesium and vitamins B_6 and B_{12} are included here for the first time (tables 10 and 11).

The National Academy of Sciences-National Research Council published recommended dietary allowances for these nutrients for the first time in 1968. Based on these allowances, the amounts of magnesium and vitamins B_6 and B_{12} in the food available for consumption would be sufficient to meet the nutritional needs of the population if food were distributed according to dietary needs.

The magnesium level has remained fairly steady in recent years, around 340 milligrams per capita per day. However, the level is 2 percent lower than in 1957-59 chiefly because of less use of dairy products and flour and cereal products. These food groups now provide 22 and 18 percent of the total magnesium, respectively (table 11). Fruits, vegetables, potatoes, and sweetpotatoes in total furnish 26 percent. The dry beans, peas, nuts, and soya products group also is a good source of this nutrient. Considering the quantity consumed, this group makes a sizable contribution--11 percent of the total. Although consumption of meat, poultry, and fish is much greater, these foods account for only 13 percent.

The amount of vitamin B_6 in 1969 is up 6 percent from 1957-59. The use of more animal products, chiefly meat and poultry, accounts for the increase. The meat, poultry, and fish group now contributes about 46 percent of the total vitamin B_6 compared to 40 percent in 1957-59. Although total animal products provide the largest share of this vitamin, vegetable sources are also important. Vegetables, fruits, and potatoes currently contribute about 31 percent of the total. The contribution of flour and cereal products, however, is about 7 percent.

The amount of vitamin B_{12} is up by more than 4 percent since 1957-59. The increase in vitamin B_{12} also is chiefly due to higher consumption of meat and poultry.

Animal products are good sources of all the B-vitamins, in fact, the sole contributors of vitamin B_{12}. Meat, poultry, and fish provide about 70 percent of the total; dairy products, 20 percent; and eggs, the balance.

The next issue of the National Food Situation is scheduled to be available February 1970.

The summary is scheduled to be released to the press immediately after the Outlook and Situation Board meeting February 1970.

Table 13.--Wholesale food price indexes and Wholesale Price Index, selected periods 1/
(1957-59=100)

Year and month	Farm products			Processed foods and feeds													
				Meats													
	Eggs	Fresh and dried fruits and vegetables 2/	Total 3/	Beef and veal	Pork	Total	Poultry	Fish	Dairy	Processed fruits and vegetables 2/	Vegetable oil end products	Cereal and bakery products	Sugar and confectionery	Beverages 4/	Total 5/	All food 6/	Industrial commodities 7/	All commodities
1947-49	133.6	94.3	109.2	97.1	112.6	100.9	174.3	80.5	88.6	93.0	123.5	84.8	87.2	75.3	93.9	94.4	79.0	84.2
1960	103.2	100.6	96.9	100.6	91.0	96.8	99.9	102.0	105.0	99.5	90.5	103.2	101.8	98.8	100.0	100.0	101.3	100.7
1961	99.0	93.7	96.0	97.0	93.9	95.1	85.8	107.9	107.5	101.7	102.7	105.1	101.2	98.6	101.6	100.0	100.8	100.3
1962	95.2	97.7	97.7	103.2	94.1	97.8	90.2	113.2	106.9	98.0	97.3	107.6	102.2	99.0	102.7	100.6	100.8	100.6
1963	94.0	96.1	95.7	95.7	88.3	91.5	88.6	112.0	107.5	103.9	88.2	107.3	118.4	100.9	103.3	100.4	100.7	100.3
1964	90.8	103.2	94.3	90.5	88.3	89.0	87.4	107.4	107.8	104.8	89.7	107.8	111.8	106.2	103.1	100.8	101.2	100.5
1965	93.5	101.8	98.4	95.6	108.2	100.8	90.9	112.8	108.5	102.1	101.2	109.0	109.0	105.7	106.7	104.5	102.5	102.5
1966	107.9	102.5	105.6	104.1	117.5	109.9	97.3	127.2	118.5	104.8	104.6	115.4	110.5	105.8	113.0	110.7	104.7	105.9
1967	84.3	101.6	99.7	105.8	105.1	105.4	86.0	125.3	121.9	107.2	102.0	117.1	113.0	106.5	111.7	108.6	106.3	106.1
1968	93.9	108.2	102.2	110.2	103.5	107.7	91.0	135.2	127.7	114.1	100.2	118.2	115.8	109.6	114.1	112.2	109.0	108.7
1969																		
January	122.3	112.0	104.9	112.5	106.6	110.1	92.6	145.1	130.1	113.6	101.1	119.3	119.2	110.8	116.0	115.5	110.9	110.7
February	108.1	108.7	105.0	111.6	105.3	109.8	95.1	146.0	130.2	114.5	102.9	119.3	119.2	111.1	116.3	115.0	111.4	111.1
March	110.9	112.1	106.5	115.3	101.8	110.6	96.1	147.5	130.4	115.1	103.1	119.3	119.5	111.3	116.4	115.7	112.0	111.7
April	97.3	106.8	105.6	120.4	102.7	113.8	92.7	143.3	131.4	115.4	103.3	119.3	120.2	111.4	117.3	115.4	112.1	111.9
May	80.6	126.7	110.5	129.0	110.9	121.3	98.8	146.2	132.5	115.7	103.3	119.4	122.7	111.8	119.4	119.0	112.2	112.8
June	85.9	112.9	111.2	134.2	121.3	128.5	98.4	144.3	133.0	115.6	103.3	119.7	123.0	112.4	121.4	119.9	112.2	113.2
July	117.0	103.1	110.5	130.2	123.6	128.9	100.0	151.0	133.0	116.6	102.1	119.9	122.3	112.6	122.0	120.7	112.4	113.3
August	100.5	106.7	108.9	122.1	123.5	124.8	104.1	146.9	133.0	116.8	102.1	120.1	127.2	112.6	121.5	119.9	112.8	113.4
September	122.5	103.4	108.4	118.9	124.5	123.1	100.0	150.0	133.4	116.6	102.1	120.4	127.2	113.1	121.3	120.1	113.2	113.6
October																		
November																		
December																		
	Seasonally adjusted																	
1968																		
January	74.8	111.1	98.7	---	---	---	---	---	123.3	112.9	98.6	117.1	112.1	107.9	111.7	---	---	---
February	83.1	113.3	101.1	---	---	---	---	---	124.0	113.8	99.0	117.5	112.4	108.6	113.2	---	---	---
March	79.4	113.0	102.2	---	---	---	---	---	123.8	114.4	99.3	117.6	113.7	109.1	113.6	---	---	---
April	73.3	104.4	101.8	---	---	---	---	---	126.8	114.6	100.0	117.5	114.3	109.6	113.9	---	---	---
May	85.7	117.3	103.9	---	---	---	---	---	130.3	114.6	106.0	117.3	114.8	109.5	114.7	---	---	---
June	100.1	100.8	102.9	---	---	---	---	---	129.9	114.3	101.2	117.1	116.8	109.3	114.4	---	---	---
July	97.8	103.5	102.4	---	---	---	---	---	128.9	114.7	101.1	118.0	117.0	109.4	115.1	---	---	---
August	94.1	102.5	100.8	---	---	---	---	---	128.8	115.7	102.0	119.4	116.4	109.6	114.7	---	---	---
September	109.8	103.0	102.2	---	---	---	---	---	128.1	114.7	101.5	119.2	117.8	110.1	114.2	---	---	---
October	99.7	107.2	102.1	---	---	---	---	---	129.2	113.8	99.0	119.3	118.0	110.5	114.2	---	---	---
November	96.8	110.5	104.5	---	---	---	---	---	129.1	113.0	99.5	118.8	117.9	110.7	115.2	---	---	---
December	107.6	113.1	103.7	---	---	---	---	---	129.2	112.5	100.5	119.1	118.7	110.5	114.7	---	---	---
1969																		
January	128.1	112.9	105.3	---	---	---	---	---	130.1	112.7	100.0	---	118.3	---	115.7	---	---	---
February	111.1	106.8	104.5	---	---	---	---	---	130.6	114.5	102.1	---	118.3	---	116.1	---	---	---
March	110.1	109.0	106.3	---	---	---	---	---	131.2	115.2	102.7	---	119.5	---	117.1	---	---	---
April	106.1	102.1	105.1	---	---	---	---	---	132.2	115.5	103.4	---	120.9	---	118.6	---	---	---
May	96.1	117.4	109.6	---	---	---	---	---	133.8	115.9	103.7	---	123.4	---	120.2	---	---	---
June	95.3	111.8	111.3	---	---	---	---	---	133.1	115.4	104.1	---	123.2	---	120.7	---	---	---
July	124.5	98.9	108.5	---	---	---	---	---	132.7	116.7	102.6	---	122.4	---	120.7	---	---	---
August	98.0	112.8	108.7	---	---	---	---	---	132.7	118.0	102.6	---	127.5	---	121.1	---	---	---
September	102.3	111.2	108.3	---	---	---	---	---	132.6	117.8	102.1	---	127.3	---	120.5	---	---	---
October																		
November																		
December																		

1/ For earlier annual data, see table 106, Food Consumption, Prices and Expenditures, Agricultural Economics Report No. 138, page 179, by Stephen J. Hiemstra. 2/ Includes potatoes. 3/ In addition to items listed separately, includes grains, livestock, live poultry, plant and animal fibers, milk, hay, hayseeds, oilseeds, and other farm products such as coffee beans, cocoa beans and tobacco. 4/ Includes alcoholic beverages. 5/ Includes animal fats and oils, crude and refined vegetable oils, manufactured animal feed, and miscellaneous processed foods in addition to items listed separately. 6/ All food includes all processed foods (omitting soft drinks, alcoholic beverages and manufactured animal feeds) plus eggs and fresh and dried fruits and vegetables from the farm products group. 7/ Prior to 1967, includes manufactured animal feeds, soft drinks and alcoholic beverages.

Bureau of Labor Statistics.

Table 14.--Retail food price indexes and Consumer Price Index, selected periods 1/

(1957-59=100)

Year and month	Food at home																	Consumer Price Index, less food	Consumer Price Index
	Meats			Poultry 3/	Fish	Eggs	Dairy products 4/	Fats and oils 5/	Fruits and vegetables			Cereal and bakery products	Sugar and sweets	Beverages	Total	Food away from home	All food		
	Beef and veal	Pork	Total 2/						Fresh	Processed	Total								
1935-39	36.5	43.2	37.8	68.7	28.9	60.3	45.9	65.4	37.3	50.2	39.6	45.6	48.3	27.5	42.6	6/	41.9	54.2	48.7
1947-49	86.8	92.8	86.7	132.5	86.4	122.7	88.3	117.9	78.4	88.6	80.9	75.5	85.4	56.1	86.1	6/	84.7	79.7	81.5
1960	104.2	93.8	99.2	95.0	103.5	100.1	103.2	92.1	105.2	101.4	103.8	103.2	103.4	90.7	100.6	105.5	101.4	103.7	103.1
1961	102.5	98.2	100.5	85.8	105.8	100.1	104.8	98.6	103.5	105.6	104.2	105.4	101.4	90.7	101.5	107.8	102.6	104.8	104.2
1962	106.2	99.1	102.5	90.7	110.2	94.6	104.1	98.5	106.3	102.6	105.0	107.6	101.4	89.3	102.2	110.7	103.6	106.1	105.4
1963	105.0	96.6	100.9	89.3	110.0	96.0	103.8	95.7	112.6	108.3	111.0	109.1	110.1	90.4	103.5	113.2	105.1	107.4	106.7
1964	101.9	96.1	99.4	87.3	107.4	95.0	104.7	95.4	119.2	110.8	115.3	109.6	115.5	101.4	104.7	115.2	106.4	108.9	108.1
1965	106.8	109.4	106.9	90.0	110.6	92.8	105.0	102.3	121.7	107.3	115.2	111.2	113.5	100.6	107.2	117 8	108.8	110.4	109.9
1966	112.4	125.1	116.8	94.9	117.8	105.7	111.8	106.2	123.9	109.9	117.6	115.8	111.3	100.0	112.6	123.2	114.2	113.0	113.1
1967	113.1	114.8	113.8	88.9	121.8	88.4	116.7	106.5	124.3	109.2	117.5	118.5	114.7	99.1	112.3	129.6	115.2	116.8	116.3
1968	117.7	115.0	116.4	91.7	123.8	95.3	120.6	104.4	136.0	115.3	126.8	119.0	118.6	101.0	115.9	136.3	119.3	121.9	121.2
1969																			
January	121.1	115.7	118.6	90.8	127.0	119.8	122.7	103.5	136.4	115.3	127.0	120.5	122.7	102.3	118.3	140.3	122.0	124.9	124.1
February	121.3	116.6	119.0	92.3	127.7	116.2	122.8	103.6	132.3	115.3	124.7	120.8	123.1	102.2	118.1	140.7	121.9	125.6	124.6
March	121.4	116.4	119.1	94.2	127.7	108.5	123.0	103.9	137.2	115.8	127.6	121.2	123.8	102.5	118.5	141.3	122.4	126.8	125.6
April	125.1	117.5	121.2	95.3	128.4	109.8	122.9	103.6	137.6	115.9	127.9	121.3	124.4	102.6	119.3	142.2	123.2	127.5	126.4
May	127.9	118.8	123.4	93.3	129.5	97.4	123.6	104.1	140.9	116.3	130.0	121.6	124.7	102.7	119.8	142.8	123.7	127.9	126.8
June	134.6	126.1	129.5	97.3	129.8	92.5	124.0	104.0	142.4	116.3	130.8	122.0	125.2	103.4	121.8	143.7	125.5	128.4	127.6
July	136.8	129.0	131.7	100.4	130.6	95.6	124.4	103.7	145.0	116.4	132.3	122.6	125.3	103.3	123.0	144.8	126.7	128.8	128.2
August	135.4	130.2	131.9	101.4	131.5	114.4	125.0	103.7	141.0	116.7	130.2	122.6	125.4	103.8	123.6	145.8	127.4	129.3	128.7
September	135.0	133.7	133.1	102.0	132.2	113.8	125.5	103.7	134.9	116.9	126.8	123.0	126.0	103.7	123.6	146.7	127.5	130.0	129.3
October																			
November																			
December																			
	Seasonally adjusted																		
1968																			
January	116.2	112.4	114.6	91.1	122.3	81.9	117.9	---	137.7	---	127.0	---	---	---	114.1	---	117.2	---	---
February	116.2	113.9	114.9	87.2	122.7	86.9	118.4	---	135.1	---	125.8	---	---	---	114.3	---	117.4	---	---
March	116.5	116.5	116.1	95.2	121.2	87.6	118.8	---	135.0	---	125.8	---	---	---	114.9	---	118.1	---	---
April	117.3	117.8	116.6	93.3	121.8	92.8	119.4	---	136.3	---	126.9	---	---	---	115.6	---	118.7	---	---
May	118.4	119.1	117.9	93.7	122.7	88.7	120.9	---	139.1	---	128.9	---	---	---	116.3	---	119.4	---	---
June	118.4	115.2	117.3	93.2	123.8	94.9	121.9	---	133.2	---	125.5	---	---	---	115.9	---	119.2	---	---
July	117.9	113.9	116.1	90.4	124.3	96.9	121.5	---	129.9	---	123.4	---	---	---	115.5	---	119.0	---	---
August	118.7	112.9	116.3	93.6	124.4	101.7	121.6	---	133.6	---	125.6	---	---	---	115.8	---	119.7	---	---
September	117.2	112.2	115.5	94.0	125.1	102.1	121.4	---	135.4	---	127.0	---	---	---	116.3	---	120.0	---	---
October	117.8	114.5	116.5	94.2	125.7	106.6	121.7	---	138.4	---	128.4	---	---	---	117.2	---	120.9	---	---
November	119.1	114.5	117.0	93.6	125.9	98.7	121.9	---	138.1	---	128.0	---	---	---	117.2	---	121.0	---	---
December	118.5	116.8	117.7	93.5	126.3	104.0	121.9	---	141.3	---	129.4	---	---	---	117.8	---	121.4	---	---
1969																			
January	121.5	116.5	119.0	94.1	126.5	116.5	122.3	---	141.2	---	129.6	---	---	---	118.5	---	122.2	---	---
February	121.5	117.4	119.1	91.4	127.3	112.4	122.8	---	134.0	---	125.6	---	---	---	118.3	---	122.1	---	---
March	121.8	117.3	119.5	93.2	127.4	110.3	123.2	---	136.7	---	127.3	---	---	---	118.9	---	122.8	---	---
April	106.5	121.0	122.7	96.1	128.3	111.9	123.5	---	134.8	---	126.4	---	---	---	119.7	---	123.6	---	---
May	128.7	124.5	125.9	95.4	129.4	106.6	124.1	---	135.9	---	127.1	---	---	---	120.3	---	124.2	---	---
June	134.9	126.5	130.0	99.9	129.9	103.6	124.5	---	135.2	---	127.0	---	---	---	121.8	---	125.5	---	---
July	136.9	126.2	131.0	101.4	130.7	104.3	124.6	---	131.1	---	124.5	---	---	---	122.0	---	125.8	---	---
August	134.9	125.1	130.0	101.1	131.6	116.4	124.9	---	136.6	---	127.8	---	---	---	122.4	---	126.4	---	---
September	133.5	129.3	131.0	101.4	132.3	106.5	125.1	---	142.3	---	131.0	---	---	---	123.2	---	127.1	---	---
October																			
November																			
December																			

1/ For earlier annual data, see table 96, Food Consumption, Prices, and Expenditures, Agricultural Economic Report No. 138, July 1968, page 165, by Stephen J. Hiemstra. 2/ Beef, veal, lamb and mutton, pork, and processed meat. 3/ Unadjusted index includes turkey beginning 1964; seasonally adjusted indexes are for frying chicken only. 4/ Includes butter. 5/ Excludes butter. After December 1963 computed by Economic Research Service using data for items additional to those in the CPI. 6/ Data not collected prior to 1953.

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